

The National Underwriter

LIFE INSURANCE EDITION

FRIDAY, AUGUST 29, 1930

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A MULTIPLE LINE

Backed by Prompt, Efficient Service

*A Combination that increases results and
multiplies the Agent's income.*

With its Home Office situated at the Hub of the Nation—St. Louis, "The City surrounded by the United States",—the Missouri State Life is able to give to its representatives prompt, efficient service in the handling of all matters pertaining to solicitation, underwriting and claim payments. And through its multiple line of Life, Accident and Health, Group and Salary Savings, the Company offers representatives an exceptional opportunity to multiply the results of their daily work and thereby multiply their income.



Insurance in force now over
\$1,245,000,000.00

MISSOURI STATE LIFE INSURANCE COMPANY

Hillsman Taylor, President, St. Louis



How Good—or Bad— Is Business, Anyway?

The Sales Research Bureau reports an increase in production of new ordinary business of 3% for the first six months of 1930 over 1929. The Bureau figures represent 78 companies having 88% of the country's legal reserve life insurance. The Life Presidents Association reports for 44 companies with 82% of the total U. S. legal reserve life insurance, a gain of 4.6% over 1929.

The Peoria Life contributes its experience of a gain each month during 1930 for a total

of 30% more business written and paid-for in the January-June period than a year ago, the previous high record. Indications are conservative that the Peoria Life will register a net gain of 15% of its entire business in force for 1930. These gains were made without the addition of new territory or any material increase in our Agency Force.

The conclusion? That the life insurance business is good for good agents well supported by thorough, practical Home Office cooperation. Also that the Peoria Life is making good on its 1930 objective—the development of its agency manpower and the extension of its already well-known effective Service to Agents.

Peoria Life Insurance Company

PEORIA, ILLINOIS

The National Underwriter

LIFE INSURANCE EDITION

Forty-Fourth Year No. 35

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, AUGUST 29, 1930

\$3.00 Per Year, 15 Cents a Copy

Aviation Group Raise Is Urged

Subcommittee of Companies Conference Reports on Study of Air Hazard

OTHER ACTION IS TAKEN

Lack of Improvements in Fatality Record Among Pilots and Other Factors Responsible

NEW YORK, Aug. 28.—At a meeting of group conference companies held in Montreal a few days ago, it was agreed to submit to the New York department for approval increased rates for group life covering several classes of employment on which companies have had an unsatisfactory loss ratio.

It was also agreed that lump sum settlements of permanent and total disability claims should cease and that on certificates of less than \$2,000 a rate of \$20 would rule. On certificates larger than that a rate of \$10 a month was recommended. It is probable that total disability claims will be recognized only after the policy has been in force one year.

Discuss Aviation Hazards

Aviation hazards constituted the main topic of discussion. A subcommittee on this matter reported:

"The subcommittee discussed at some length the question of extra rates for the aviation industry. While it is recognized that available statistics are not complete enough for use in determining the extra hazard for various classes of flying, the following facts seem to stand out:

"1. The fatality rate among pilots in scheduled flying (air mail and passenger carrying) during 1929 shows no improvement over 1928—one fatality for each 1,100,000 miles in 1929 against one for each 1,200,000 miles in 1928.

"2. The extra of \$25 or \$35 per year per \$1,000 charged by some companies for commercial pilots is not high enough to take care of the hazard according to the statistics for 1929 and previous years. Furthermore, due to the greater number of flying hours per year for crews of transport planes, such as stewards and radio operators, a higher annual extra should be charged for such classes.

Flying Record Understated

"3. Amount of flying done by officials and employees of companies in the aviation industry which are applying for group life insurance is probably understated, and as the actual total amount of flying varies with the time of the year and the growth of the company, it is difficult to obtain an accurate statement for use in determining in advance proper average annual extra per \$1,000 for the entire risk. An extra rate per hour of flying time per employee

Inventiveness Shown By Lincoln National Stars

FORT WAYNE, IND., Aug. 28.—A recent analysis of the activities of a number of Lincoln National Life agencies disclosed some interesting agency development plans that have been worked out successfully. Each special effort has been developed by the particular agency to meet a definite need of its own. The following plans have proved themselves a great aid in strengthening sales, building man power, promoting loyalty, fostering education, and increasing agency morale.

The Northwest agency in Minneapolis has instituted a circulating library for the benefit of its field men. The latest books and magazines treating on insurance are freely sent to all the men. The material is forwarded to specified men and new volumes are added constantly.

Agency Statistician Installed

The Cleveland agency under General Agent S. A. Bardwell has instituted an agency statistician. The agents are encouraged to take their problems of sales, research and briefing to him. This complete technical service has proved very helpful.

The Hoosier state agency, with the direction of State Agent V. J. Harrold, has established a lead production bureau for aiding its men in prospecting. Through this scheme, a clerk in the office is designated to carefully follow all leads as they appear in newspapers, court records, license bureau, etc., determine additional facts about them, circularize the names, and forward them to the supervisor in charge. He in turn sends them on to the men in his territory.

Organization of Agents' Wives

The Nancy Hanks Club, an organization of the agents' wives of the Salt Lake City agency, is very active in aiding the men in selling through active and serious interest in the business from the home standpoint. In addition, these women promote various social gatherings, dinners and parties for the family groups of all the men of that agency.

In Santa Ana, Cal., Guy Gilbert follows the practice of having breakfast agency meetings. These are of an inspirational character and are run on the slogan, "Any old bum can stay up nights, but it takes a real man to get up in the morning." The meetings are called at 7 a. m. and a hearty breakfast served to the men in attendance.

In a number of Lincoln National agencies evening schools are held on life insurance subjects in preparation for future C. L. U. examinations. As State Agent V. J. Harrold puts it, "No man was ever hurt by additional knowledge

would measure more accurately the varying hazard in a risk of this kind.

Requires \$50 Extra Charge

"The forthcoming report of the special committee of the Actuarial Society will show that the best class of pilots, outside of army and navy pilots—those flying on regular scheduled lines, whether air mail or passenger carrying

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about the business in which he is engaged."

A great number of agencies have set definite dates for agency outings and picnics that have become regular fixtures in the agency plans for the year. Notable among these are the O. F. Gilliom log cabin dinner, which is held every year at Berne, Ind., at a real log cabin on General Agent Gilliom's farm, and the C. E. Way agency trip, taken by the men of the Akron, O., office, to various places of interest in the middle west. All the men of the Akron office are taken on these trips, with expenses paid by General Agent Way.

Softens the Approach

E. J. Brand in Chicago has a system for softening the approach that has worked out nicely for the men of his organization. It consists of circularizing prospects for business insurance with reprints of advertisements that have been run within the week in one of the leading financial dailies of the city.

Several agencies have taken billboard space in their own localities to increase their sales and reputation locally. Prominent among these are the L. R. Lay agency of El Paso, Tex.; the Elieff & Knudsen, Hibbing, Minn., and O. F. Gilliom of Berne, Ind.

Distinctive checks, that are definitely hooked up with the Lincoln National Life and the particular agency using them, are furnished to the men by a number of agencies. In this way, every check that is sent out, whether personal or business, carries the message of the company and the business in which the user of the check is engaged. Excellent results have been reported from this system especially in small communities.

Throughout the entire organization, special agency bulletins are used extensively. Some are published monthly, some semi-weekly and some weekly. All carry a good bit of individual news, sales inspirational stories, and pertinent statistics of the agency in question.

Loss of Rich Publisher Brings Up Old Question

The old question whether disappearance of an insured under circumstances which indicate death although the body cannot be found is admissible as evidence of death sufficient to warrant paying under a policy, crops up again in the strange case of Van Lear Black, Baltimore publisher, capitalist and former casualty company chief executive. It is reported he was insured for \$750,000.

Mr. Black's disappearance from his yacht outside New York harbor recently, apparently lost at sea in a fall from the rail, caused a frenzied search by small vessels, airplanes and even the navy dirigible "Los Angeles," but the only result was finding of his cap washed up on the New Jersey coast.

Canada Topics Are Discussed

Annual Meeting of the Superintendents of Insurance of Provinces

MANY SUBJECTS COME UP

Profound Address Given by S. B. Woods of the Alberta Bar on Insurance History

EDMONTON, ALTA., Aug. 28.—The 13th annual conference of the Association of Superintendents of Insurance of the provinces of Canada opened at Edmonton Monday. Upwards of 125 representatives of all branches of the insurance business from the United States and Canada attended and listened to the addresses of welcome of the acting prime minister, and his worship, Mayor Douglas of Edmonton, distinguished United States visitors included James V. Barry, Metropolitan Life, Henry S. Ives, Association of Casualty & Surety Executives, Allen Bromsmith, Travelers, Eaton of the American Mutual Alliance, George M. Merigold of the Prudential, F. G. Dunham of the Metropolitan Life. All six provinces were represented by their superintendents of insurance. The Ontario department was represented also by its deputy superintendent of insurance and chief inspector.

The annual report of the secretary proved a lively encounter between Superintendent Foster and John A. Robertson, chairman of the Canadian Fire Underwriters Association with reference to Mr. Foster's remarks concerning acquisition cost in the casualty insurance business and particularly to his reference to the illegitimate nonpolicy writing agent. Mr. Robertson seemed to think that Mr. Foster was deliberately branding all nonpolicy writing agents as illegitimate.

The address delivered by S. B. Woods K. C., a prominent member of the Alberta bar, with reference to the development of the idea of insurance and of the law relating thereto traced the history of insurance from earliest times. Mr. Woods showed that two of the modern principles of insurance law became recognized in earliest times, that the insurer is entitled to the goods salvaged, and that the insured must have an interest in the property which he insures.

The reports of committees were presented but not read because of the practice of the association to have all its committee reports printed in pamphlet form and distributed to interested persons and insurance interests as many

(CONTINUED ON PAGE 11)

Carried Large Insurance Line

Thomas B. Slick, an independent oil operator of Tulsa, Okla., who died a few days ago in Baltimore, left \$1,250,000 life insurance.

Illinois Leaders Organize to Pass Anti-rebate Law

THREE ASSOCIATIONS JOINED

Most Elaborate Effort in History of State to Force Good Ethics Is Launched

The most carefully calculated and elaborately prepared attempt ever made in Illinois to secure passage of an anti-rebating and anti-twisting law will begin to take concrete form Sept. 10 when committees of the Chicago Association of Life Underwriters, Illinois Association and Illinois Insurance Federation will meet in Chicago to formulate plans.

Some time ago leading life insurance men, faced in Illinois with no control over unethical practices, and with a condition of extreme chaos in that respect, broadcast inquiries to many states for copies of such laws. The joint committees have been digesting these measures, and incorporating the best points of all in what it is believed will be a model law.

Consider All Factors

Not unmindful of the fact that legislators are moved to action not so much by need for a measure as by political pressure—an angle the neglect of which in the past is charged by some men with failure to secure such a law in several previous attempts in Illinois over many years—the joint committee have been aligning forces in support of their measure when it is introduced in the legislature, probably in January. The committees this time are in deadly earnest and it is said they have gone to high places for the influence essential in bringing Illinois standards of life insurance salesmanship up to the general level of the nation.

Bitter Fight Is Waged

In the last year there has been a bitter fight going on underneath the surface in Illinois, and particularly in Chicago, against the two evils. Lack of any statutes at all covering the situation has forced leaders to adopt other and more subtle measures. A strong weapon at Chicago has proved to be alliance with the Better Business Bureau, association of merchants and business men which has unusual influence and is prepared if necessary to bring to bear every weapon against bad trade ethics, including substantial newspaper space pledged by dailies, and outright advertising directed against offenders.

This organization is said not to fear libel actions, but rather to welcome them as a means of further publicity.

Successful in Skirmish

So far in the campaign the Chicago association has been highly successful in its drive against twisters, through direct action with home offices and intimidation that failure to rectify matters would result in publicity over the name of the Better Business Bureau. However, the association has been signally unsuccessful in its fight against rebates.

It is believed that a powerful law would bring success in many more cases and would make the work easier. Also, the general agents and managers under the present status leave themselves open to libel actions such as one in St. Louis recently. Under an adequate law the state would be substituted and individual liability eliminated.

Norris Bokum, Chicago general agent, is chairman of the Chicago association legislative committee. Other members are: Harry T. Wright, association president; E. B. Thurman, past president in whose regime the campaign against twisters reached its zenith; Karl B. Korrady, Samuel T. Chase and Thomas F. Lawrence.

The Illinois association committee consists of Herbert Hendricks, Decatur

Coast Candidate



CHARLES C. THOMPSON

Charles C. Thompson, manager of the Metropolitan Life at Seattle, Wash., will be presented for first vice-president of the National Association of Life Underwriters at the Toronto convention by the Seattle association, which has unanimously and enthusiastically put itself back of his candidacy for that post. Mr. Thompson also has very strong support from the associations throughout the Pacific Coast territory.

He has held every office in the Seattle association, having been active in its affairs since 1908. He is now a member of the National association executive committee, chairman of the legislative committee of the Washington State Life Underwriters Association, representative for Washington in legislative matters for the Association of Life Insurance Presidents and president of the Metropolitan-Northwest Managers Association. He has been with the Metropolitan for 30 years and manager in Seattle for 22 years.

Mr. Thompson was born in Indiana and at the age of 22 entered the service of the Pacific Mutual Life as an agent at Helena, Mont., in 1901. When the industrial business of the Pacific Mutual was taken over by the Metropolitan in September, 1901, he went with the latter company as an assistant superintendent. After serving in various important cities in the Pacific northwest, he was appointed manager of the Seattle-Tacoma district in November, 1908, and has been in Seattle since that time.

Indiana Insurance Directory

The new Indiana Insurance Directory has come from the press of THE NATIONAL UNDERWRITER. It is the oldest state insurance directory in the west. It was first published in 1891 and has been continuously brought out since and enlarged as the state insurance-wise developed. The book is kept by insurance men as an Indiana reference book as it gives complete insurance information of the state. Due to insistent demands for up-to-date, accurate, annual records, the book now comes out once a year. During the past year 56 companies entered the state, 20 withdrew and four new companies organized. This means a complete change in agency plants of many companies. The book sells for \$7.50 by THE NATIONAL UNDERWRITER.

association president; C. C. Weber, Springfield; J. W. Knorr, Rockford; L. P. Livengood, Danville; Ralph C. Lowes, Peoria, past president; B. F. McClelland, Rockford, and C. H. DeLong, Champaign. E. M. Ackerman, executive secretary of the federation, represents that organization in the conferences.

Kentucky Companies Merge in \$1,000,000 Combination

CONSIDER OTHER ADDITIONS

Atlas-Republic Formed from Republic L. & A. and Atlas L. & A.—Capital Is \$400,000

LOUISVILLE, Aug. 28.—Announcement is made of merger of the Republic Life & Accident of this city and the Atlas Life & Accident of Campbells-ville, Ky., into the Atlas-Republic, capitalized at \$400,000, surplus \$200,000. This action followed meeting of the two boards jointly after they had met separately and ratified the plan. The announcement is made by J. H. Pickett, Campbells-ville, first vice-president.

Other officers of the combined companies are: Chairman, Alfred N. Estes, formerly president Republic; president, H. T. Parrott, Campbells-ville; vice-president, M. L. Kennedy, Louisville; secretary-treasurer, W. L. Mitchell, Campbells-ville. Members of the two boards, it is said, will function until a meeting in January.

Kenneth White will be assistant secretary; C. E. Ellwanger, assistant manager in charge of the commercial department; T. B. Newburn, auditor; T. J. Mitchell, director, and also supervisor of western Kentucky.

Details of Arrangement

The industrial department will be at Campbells-ville, where the home office will be located, but the commercial department and executive offices will be located at 1469 South Fourth street, Louisville, the Republic's home office for some time.

Both companies were formed in 1928, and have a combined gross income of approximately \$1,000,000 a year, which is said to be the third largest of any life and accident company in the state. The combined companies are operating in Kentucky and West Virginia, and plan to file applications to operate in three or four additional states.

Mr. Estes states that plans are under consideration to obtain and merge three or four other companies, which would result in a large organization.

To Tell Examiner's Work

Dr. J. W. Wear, medical director National Fidelity Life of Kansas City, will address the Lancaster County Medical Society at Lincoln, Neb., Nov. 18. His subject will be "Life Insurance and Its Relation to the Examiner" and is one that Dr. Wear is especially well qualified to present.

Has American Mercury Sprung a Joke?

A life insurance executive, after reading the article on life insurance in the September "American Mercury," has expressed the opinion that the alleged expose is a hoax. The author of the article is Abraham Epstein, executive secretary of the American Association for Old Age Security. For seven years he was director of research for the Pennsylvania Commission on Old Age Pensions.

Will Get Amusement

"Life insurance men" this executive declared, "can get some amusement this month by reading the insurance article in the September issue of the 'American Mercury.' The article 'exposes' life insurance as 'the biggest racket of them all,' 'milking credulous America,' 'worse than the insurance scandals of 1905.' Of course, they mean White's Scandals of 1931.

"The first and most dreadful accusation is that the companies allow insurance to lapse. This is just like accusing a magazine of losing subscriptions. For instance, the 'American Mercury'

Give Barnes Added Duties in Provident of Tennessee

HEADING LIFE DEPARTMENT

Succeeds Paul M. Ray as Agency Director, Handling New Life, Accident and Health

A letter has been mailed to agencies of the Provident Life & Accident, Chattanooga, by President McClellan announcing the resignation of Paul M. Ray, vice-president in charge of the life department. F. L. Barnes, vice-president, has been placed in charge of life and accident and health department as agency director.

Mr. Barnes went to the Provident from the Sentinel Life at Kansas City where he had been vice-president and general manager since it was organized in 1926. He assumed his duties as vice-president in charge of the accident and health department of the Chattanooga company last summer.

Mr. Barnes achieved a notable record at the Sentinel Life, having built up the production to over \$10,000,000 of life insurance business and the accident and health premiums to over \$500,000 in a period of three years. Previous to his connection with the Sentinel Life, he was manager of the accident department of the Employer's Indemnity, now the Employer's Reinsurance, and he is one of the younger type of insurance executives who have made a name for themselves in the insurance world in the past several years. He has held several positions of responsibility in the Accident & Health Underwriters Conference and is as capable in the life as in the accident and health field.

Saufley Publicity Manager

S. M. Saufley, former insurance commissioner of Kentucky, who served in five years, and who has been connected with the Inter-Southern Life of Louisville as special agent since retiring from public office, has become director of publicity of the company. Mr. Saufley was in the newspaper business before he entered public life. He is past owner of the Richmond, Ky., "Daily Register." He will take charge of all the Inter-Southern Life publications as well as advertising.

Harry A. Hencilman, who has been publicity man, becomes director of education and sales promotion. He is a graduate of Indiana University and went with the Inter-Southern Life in 1922 after having experience in selling life insurance.

itself is an insurance 'propolition.' It gets its heavy support from young men who have to reassure themselves that they are not Babbitts. Even with such support, the number of people who buy one copy of the 'American Mercury' and then decide to waste no more money on it is probably greater, on a percentage basis, than the number who buy life insurance and then drop it.

Mencken Running Amuck

"The next most serious charge is harrowing. It is an insult, an attack on insurance men's pride. The 'American Mercury' says an average of \$2,500 per policy is nothing to brag about. It asks how far that would go in taking care of a family, and coldly says life insurance men should quit bragging about the size of their business until they can do better.

"We suggest the article is a spoof of the well known Henry L. Mencken, the editor, in celebration of his marriage. He has probably taken another \$50,000 and being in joyous mood has run a hoax on his insurance friends."

Modify Program of Round Table

Millionaires' Session at Toronto Convention to Start Earlier Than Planned

OTHER CHANGES MADE

Manager Holcombe of Research Bureau to Conduct Agency Management Course Sept. 22-23

Theodore M. Riehle, vice-chairman of the Million Dollar round table of the National Association of Life Underwriters, in the absence of Europe of Chairman Earl G. Manning, announces changes in arrangements for the round table sessions to be held at Toronto, Can., Sept. 24, in connection with the International convention.

The Million Dollar breakfast in the Royal York hotel, convention headquarters, will begin at 8 a. m. instead of 8:30, as previously announced. The special train chartered by New York City association will not reach Toronto, as at present planned, until 8:45 Wednesday morning, and those million dollar writers who plan to arrive on that train or on any other train from other points, arriving in Toronto later than 8 a. m., are urged to secure their breakfast on the train and be ready to join the business session of the round table which will get under way at about 9 o'clock.

Main Session to Follow

The session will then run until 10:10, when it will adjourn to enable members to attend the main convention session, which, at 10:15, will view the presentation by the Canadians of the playlet, "Life Underwriting, Yesterday, Today and Tomorrow," with a cast of 18.

The morning convention session will adjourn at 12:15 and the Million Dollar round table will reconvene for lunch and to continue its deliberations as far into the afternoon as is necessary. These changes have been made, principally to give million dollar producers more time for their program, and also to avoid any conflict with features on the main convention program.

Plans of Research Bureau

The Life Insurance Sales Research Bureau announces an entirely new feature for the "pre-convention" days of the Toronto meeting. Sept. 22 and 23, preceding the convention, Manager John Marshall Holcombe, Jr., will conduct an entirely new "Advanced Lecture Course in Agency Management," prepared in response to requests from graduates of previous managers' schools for an advanced course in the principles and practices of agency management.

The curriculum will cover the following subjects: Agency plan building, tested recruiting plans, organized sales talks for describing the work, training plans and methods, building persistent business, developing and stimulating agents, group supervision, and measuring agency progress.

Give Additional Features

Two other new features have been added to the convention program. At 5:15 Wednesday afternoon, immediately upon adjournment, Roger B. Hull, managing director National association, will meet officers of local associations in the Royal York hotel, to present and discuss with them new phases of service to be supplied by national headquarters to local associations, especially along the lines of program material for monthly meetings. This session will resolve itself, at 6:30 p. m., into a dinner meeting

Complete Elaborate Plan for Connecticut Meeting

HARTFORD, CONN., Aug. 28.—Program for Connecticut Insurance Day Sept. 9, to be held while the National Convention of Insurance Commissioners is also in session here, includes a wide variety of subjects of interest to life, fire, casualty and surety companies and agents. The program has been arranged to make a "model" insurance-day meeting.

Attendance of over 1,000 representatives of executive and administrative staffs of Connecticut companies is expected. It also is anticipated that there will be a general attendance on the part of the public.

Speakers in Morning

The conference will convene in the Traveler's auditorium at 10:30 a. m. and after a reception will be called to order at 11 o'clock by James L. Case, Norwich general agent. Three speakers at the forenoon session will be James P. Wyper, president National Board; James A. Beha, general manager National Bureau of Casualty & Surety Underwriters, and John M. Laird, vice-president Connecticut General.

The general subject of the three talks will be "Present-Day Trends," Mr. Wyper discussing the topic from the standpoint of fire insurance, Mr. Beha from the casualty angle, and Mr. Laird from that of life insurance.

Another Important Subject

Following a discussion period which will allow agents to comment on the talks, there will be three interesting addresses. Walter H. Bennett, secretary National Association of Insurance Agents, will be the first speaker on the subject "The Agents." The speaker from the standpoint of the companies is yet to be announced, while William H. Fortune, vice-president National Shawmut Bank, Boston, will discuss the subject from the public viewpoint.

A luncheon is to be served in the Hartford Club. The committee has invited delegates and guests to the commissioners' meeting in the afternoon.

In the afternoon at 3 o'clock a meeting of fire, casualty and surety agents

will be held in the auditorium, in charge of Frank W. Brodie, president Connecticut Association of Insurance Agents, and at the same time a meeting of life agents will be held in the auditorium of the Phoenix Mutual Life, at which time Roger B. Hull, managing director National Association of Life Underwriters, will speak.

Among other speakers at the two sessions will be Clyde B. Smith, president National Association of Insurance Agents; Thomas B. Donaldson, former Pennsylvania commissioner, and Fred Burns, president Excelsior Fire, Syracuse, N. Y.

The annual banquet will be held at 7 o'clock with Mr. Case presiding. Speakers will include Col. Howard P. Dunham, Connecticut commissioner; Judge Chester B. Jordan, Keene, N. H., and Strickland Gillilan, lecturer and humorist. Entertainment will follow.

Agents Meet in Afternoon

Members of the committee in charge of arrangements in addition to Mr. Case, chairman, are: Vice-chairmen, Donald G. North, New Haven, and George L. Hunt, Hartford; secretary-treasurer, Thomas D. Faulkner, Hartford; representing casualty companies—James D. Kearney, William L. Mooney and H. Pierson Hammond, all of Hartford; representing fire companies—James Wyper, Hartford; Victor Roth, New Haven, and Walter F. Lester, New London; representing life companies—M. C. Terrill, John M. Laird and William Dallas, all of Hartford; representing Connecticut Field day—J. Guy Richardson, Gordon L. Brown and Oscar Holland, all of Hartford; representing Connecticut Life Underwriters Association—Orin Spencer and Theodore Phillips of Bridgeport; representing Connecticut Association of Insurance Agents—Frank Brodie, Waterbury; Fred H. Williams, Hartford, and Charlotte Rice, New Haven—representing Connecticut chamber of commerce—Executive Vice-president Harry E. Hasty; representing Hartford chamber of commerce Executive Vice-president Charles B. Whittelsey.

Canadians Defer Action on Life Agents' License Law

The problem of deciding upon details for a uniform act for licensing life insurance agents presents more difficulty than securing general agreement as to principles, a committee composed of Henry Brace, Alberta, and R. Leighton Foster, Ontario, reported to the Association of Superintendents of Insurance of the Provinces of Canada in session at Edmonton, Alta. The committee recommended that final action on a uniform act be deferred until the 1931 conference.

"It is probably not surprising," Messrs. Brace and Foster declared, "that proposed legislation which directly affects the business of upwards of 15,000 life insurance agents from Vancouver to Charlottetown, and which has a distinct local aspect peculiar to the field in addition to the company end of the business, should awaken widespread critical comment and a wide diversity of suggestions and proposed changes in the draft bill which was considered and

of all local and state association officers in attendance.

At 8 o'clock Friday morning, alumni of the American College of Life Underwriters will meet for breakfast and conference, with Harry McNamer, manager Union Central at Louisville, and president of the college alumni association, presiding.

acted upon by the association at the 1929 conference.

"Normally proposed insurance legislation relating, for example, to contracts of life insurance and the rights of beneficiaries, is studied by comparatively few public officials and individuals representing the companies, which usually speak through a committee of their association. In such cases, once the principles of the measure are decided upon, the details can be readily filled in and agreed upon. Your committee has come to realize that filling in the details in any proposed bill relating to the licensing of insurance agents is even more difficult than securing general agreement touching the principles involved."

The committee set forth the changes which have been considered by the joint committee composed of representatives of the Canadian Life Insurance Officers Association, the Life Underwriters Association of Canada and the Canadian Association of Life Agency Officers.

Certificates Are Awarded

The American Insurance Institute has announced those granted insurance certificates who pursued the life insurance course last year. Those who achieved special honors were C. H. Benson, Pilot Life, Greensboro; Thelma Bultman, Jefferson Standard Life; C. S. Furches, Jefferson Standard Life; B. I. Hoffner, Pilot Life; C. F. Horan, New York insurance department; G. V. McNeil, Pilot Life; W. A. Munster, Hollywood, Cal.; Andrew Scott, Jr., New York Life.

Three Veterans To Be Speakers

American Life Convention Will Celebrate Its Silver Anniversary This Year

PROGRAM BEING BUILT

Officials Are Arranging for an Exceptionally Attractive Schedule of Events at Chicago

Time will be turned backward in its flight and once again the members of the American Life Convention on Oct. 2 will live those days when this, the oldest organization of its kind, was being formed and new and better life insurance history was written.

This stirring review of its pioneer days will be a distinct features of the silver anniversary meeting to be held at the Stevens Hotel, Chicago, on Sept. 29-30 and Oct. 1-3.

Old Timers Will Speak

Joseph B. Reynolds, president of the Kansas City Life, who is affectionately known as "the Father of the American Life Convention"; Isaac Miller Hamilton, president of the Federal Life of Chicago, and Sidney A. Foster, formerly vice-president and secretary of the Royal Union Life of Des Moines, have been asked to tell their fellow members of the early days of the Convention. All attended the original conference called by the organization and held in Chicago Dec. 5, 1905, and the organization meeting in St. Louis on Jan. 30, 1906. This latter meeting was attended by representatives of but 15 companies. Today the convention has 142 members.

Mr. Reynolds and Mr. Hamilton are past presidents and have sat on its executive committee at various times.

The meeting promises to be the greatest yet held. Because of the early interest being shown by the membership those who are planning to attend the meeting are urged to make their hotel reservations as quickly as possible so they will not be disappointed at the last minute.

Many Distinguished Speakers

The complete program for the sessions of the main meeting and of the various sectional gatherings has not been announced, but many prominent in the financial and insurance world are to deliver addresses of important insurance matters.

L. D. Cavanaugh, vice-president and actuary of the Federal Life of Chicago, will deliver an address on "Expediting the Issuance of Policies" at the meeting of the home office management section the evening of Oct. 1.

Dr. Sykes Will Speak

On the morning of Oct. 2, Dr. Lawrence G. Sykes, medical director Connecticut General Life, will speak before the main body on "The Value of an Agency-Minded Medical Department." At the same session H. P. Wright, Kansas City Life, will speak on "Financial Problems of Life Insurance" while W. J. Donald, managing director, American Management Association, New York, will have the subject "Management Trends and Their Meaning to Life Insurance Companies."

Howard P. Dunham, insurance commissioner of Connecticut, will preside at the session the afternoon of Oct. 2 at which Sidney Foster, Mr. Hamilton and Joseph B. Reynolds will give "Reminiscences." The annual dinner and dance will be Thursday evening.

McCullough Is President of Fraternal Congress

CONVENTION WAS IMPORTANT

Societies Are Hoping to Get All Hands to Agree on Uniform Legislation

At the annual meeting of the National Fraternal Congress in Detroit, Tom L. McCullough of Dallas, president of the Praetorians, was elected president. George R. Allen of Lawrence, Kan., president Fraternal Age Union, was chosen vice-president, and T. H. Cannon, Chicago, high chief ranger, Catholic Order of Foresters, was elected secretary and treasurer. The executive committee consists of Frances B. Olson, St. Paul, degree of honor Protective Association; H. J. Green, Des Moines, Homesteaders Life; A. A. Bentley, Fulton, Ill., Mystic Workers; Maddy M. Luddman, Kansas City, Kan., Degree of Honor of Kansas; S. H. Hadley, Sharon, Pa., Protected Home Circle; Dr. Felix Gaudein, New Orleans, Catholic Knights of America.

Want Uniform Legislation

The congress went on record favoring joining all fraternal organizations in the effort to obtain desirable legislation. A new committee on junior membership was created. Chief organizers and actuaries are made voting members. The congress hopes to stimulate further activity on part of state fraternal organizations. President Frances B. Olson was in charge of the meeting and demonstrated that she is a most competent business woman. She has done much for the Degree of Honor Protective Association along constructive lines.

Seek Aid of the Outsiders

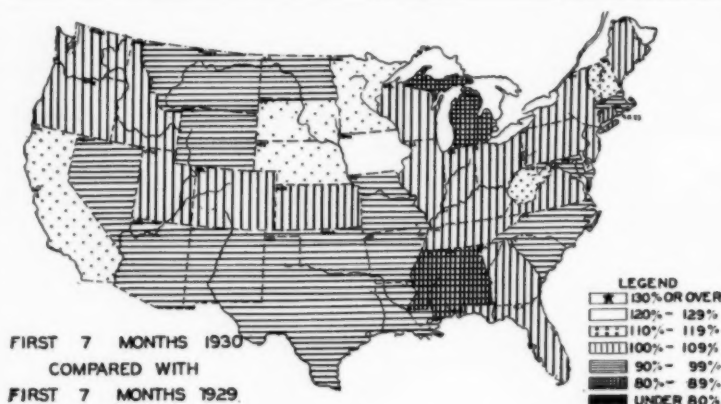
The indications are that the fraternal societies will unite on a legislative program. They have pulled apart during the last 35 years. Members of the congress and outsiders have been holding conferences. The basis of the legislation will be the National Fraternal Congress uniform bill adopted at Rochester last year. The Modern Woodmen was the leading outsider and in 1929 adopted adequate rates and the legal reserve plan. It is thought that the Modern Woodmen therefore will be in the same legislative mood as the other societies. A. W. Fulton was made chairman of the congress committee to confer with outside societies. A. R. Talbot of the Modern Woodmen was chairman of the outside committee. Mr. Fulton in his report said there were three points on which agreement had not been reached.

It is likely that negotiations will be continued.

Zischke Takes Charge in Chicago for Time Being

Superintendent of Agents Jerome Clark of the Union Central Life was in Chicago Wednesday arranging for the administration of the agency there following the resignation of General Agent Darby A. Day, who will hereafter give his attention to his other insurance enterprises of which he is a head. Mr. Clark stated that no decision would be reached as to the appointment of a successor to Mr. Day until toward the end of the year. In the meantime Assistant Superintendent of Agencies Herman A. Zischke will be in Chicago and take charge of the office until a general agent is appointed. Mr. Zischke became assistant superintendent of agencies at the head office the first of the year, having been manager in Oregon prior to that time. He is a young man of superior ability, having a magnetic personality. Associate General Agent Byron C. Howes continues in his work and will be associated with Mr. Zischke in the management of the agency.

Sales for Seven Months by States



(Courtesy Life Insurance Research Bureau)

Criticises "Disclosing of Needs" School

One of the standard life insurance teaching methods of the present which is based largely on the technique of disclosing needs was roundly but good humoredly criticised by E. B. Thurman, general agent of the New England Mutual in Chicago, at the managers' school held there last week by the Life Insurance Sales Research Bureau.

Mr. Thurman said nothing ever was sold merely because a man needed it, but that the deciding factor was whether he wanted it. He pointed out that the modern salesman in other business lines, such as automobiles and radios, completely ignores needs and concentrates on wants.

"It is perfectly apparent that none of us needs a new expensive 16-cylinder car in place of the old one which perhaps is running quite well," Mr. Thurman said, "but you can bet we want one, and we all figure hard on how to get one. In the last several years there has been a great deal said about disclosing needs for life insurance. I have very little patience with that school of thought. Every man knows he needs life insurance, and most men know most of their needs which have not yet been taken care of."

"It appears to me that the tendency is more toward making detectives out of life insurance men, rather than salesmen. What we need in this business is more salesmanship."

Sales Based on Desires

"The primary rule of salesmanship is to find out what a man desires and then to convince him that the benefits of life insurance fill that desire. You will notice that 'need' and 'want' are not synonymous. A person may need a great many things but he may not want any of them."

"The whole trend of life insurance educational work, it appears to me, has been on the theory that if we convince a man he needs life insurance he will take it. I have no fault to find with the modern school of programming. Of course that is a way of pointing out a need that exists. But I am afraid that entirely too many life insurance men are running into prospects with a program which sets out certain definite needs, and after they have explained the whole thing they have not created the slightest desire in the man to buy life insurance to take care of those needs."

"Suppose I work out a program for a man which shows that he absolutely needs \$100,000 more life insurance to take care of his family and estate, pay inheritance taxes, estate depreciation and what not, but that man is interested in only one thing, say the endowing of an institution for crippled canary birds, and the only question in his mind is furnishing the money for that philanthropy."

"Do I ignore this set idea of his be-

cause I think it is far more important to take care of his estate, and insist on his completing the program I have outlined? As a matter of practical salesmanship I do not. I become enthusiastic about his idea and I try to sell him life insurance to complete it. If I don't I'll lose the sale. I have made him thoroughly aware that he needs \$100,000 life insurance to complete his program, but he wants to carry out his pet idea, and he will."

Discusses Selecting Agents

Mr. Thurman's subject was "The Selection and Training of Men." He said he has no hard and fast rules for picking men, that largely he plays hunches. "Here are two men before me," he said, "who are to all outward signs similarly gifted with the fundamental qualifications which I demand—aggressiveness, alertness, ambition, good appearance, personality. I pick one of them. Why? Because I like him."

"I do not stop to analyze why I make the choice. I do not want to do that, and I do not dare. Perhaps I will find that I am the one out of tune and not the man whom I have rejected."

"Yardstick" Method Impossible

"Human beings cannot be measured by a yardstick. A man does not select a wife because she has brown eyes and hair. There are millions of other women all answering that description. Why does he pick her? He doesn't stop to analyze. He loves her, and for the others he feels only respect, friendship, and so forth. The same thing is true in agency selection."

"A manager can make mistakes by playing his hunches, of course, but after he has combed out the obviously undesirable agency prospects and is left with a picked few, all of whom meet the outward qualifications, then there is an indefinable process of selection that cannot be phrased in a rule, that depends on the experience of the manager in previous selection of agents, upon his likes and dislikes and that sixth sense called intuition, or the hunch."

Educational Conference of the Equitable Life

The Equitable Life of New York will hold its annual educational conference Sept. 14-20 at French Lick, Ind. Differing from previous years, the conference will be attended only by top-notch producers and by representatives of the home office. Individual agencies have held local conferences at points in their vicinity which take the place of the national conference for all except those qualifying for the French Lick trip.

The first three days will be for the

New York Starts Survey of Life Thrift Program

COMPANIES BEING QUIZZED

Deputy Behan Says His Interest Is Due to Charges of Misrepresentation by Agents

NEW YORK, Aug. 28.—All life companies operating in New York have been requested to furnish the department with information as to connections with thrift plans, societies or foundations with which they cooperate in the issuance of life policies. The request was made by Thomas F. Behan, first deputy and acting superintendent, in the first survey which the department has made in this field.

"While thrift plans, societies and foundations do not come under the supervision of this department," Mr. Behan's letter to companies states, "we are concerned with the charges which are frequently received that applications for insurance are obtained through misrepresentations."

Urges Special Form Letter

"The department considers that a special form letter to the insured would go a long way toward removing misunderstandings on the part of depositors and making it clear that the various institutions involved are entirely independent and particularly that the payment of the insurance premiums is made through a deduction from the savings account. In the case of at least one company an inspector is sent out to interview the insured on each policy received through the thrift plan arrangement."

Sales Lower in Six Out of Nine Sections of U. S.

During the past month, almost all industries have experienced a general depression. Life insurance was one of the least to feel the general economic tendency and up until May continued to gain. The figures for the first seven months of the year show that during that period the country paid for a volume of insurance 2.3 percent larger than in the same months last year. Only three sections showed a decrease in insurance sold, these were the mountain and the east and west south central states.

July figures compiled by the Life Insurance Sales Research Bureau indicate that the gradual falling off of sales which started in May continued through July. The volume paid for during the past month was 2.2 percent smaller than a year ago. The only three sections showing an increase for the month were the middle Atlantic, the Pacific and the south Atlantic states. The other sections shared the decrease and reflected the depression in business prevalent throughout the country.

The following table shows the status of life insurance sales for July and for the past seven months.

1930 Ordinary Sales Compared to 1929

	First 7 Months 1930	July 1929
United States Total.....	102	98
New England.....	100	94
Middle Atlantic.....	103	101
East North Central.....	100	94
West North Central.....	107	96
South Atlantic.....	103	101
East South Central.....	99	91
West South Central.....	94	92
Mountain.....	99	93
Pacific.....	108	103

New York, metropolitan and eastern sections, and the last three days for the central and western sections.

LIFE COMPANY CONVENTIONS

Agents on Caribbean Cruise

Home Life of Arkansas Takes Members of \$200,000 Club on Extended Trip

A group of 33 agents of the Home Life of Arkansas who qualified for membership in the 1930 \$200,000 Club, left Little Rock, Aug. 19, on a ten-day trip to Havana, and points in the Caribbean Sea. Several home office officials went along. The party boarded a special car at Memphis, Tenn., for New Orleans, and in the Crescent City toured the city before boarding the steamer "Atenas."

The itinerary includes Puerto Cortez, a port 500 miles south in the Caribbean, where the agents will visit one of the large banana plantations, and then will go by train to LaLime to inspect a large sugar mill of the United Fruit Company.

In order to qualify for membership each agent had to produce \$200,000 paid business for the club year ended Aug. 13, and to have a 75 percent renewal experience. R. H. Carter, superintendent of agents, is in charge of the tour. This year's club exceeded in volume written and number of agents qualifying, any club in the company's history.

Peoria Life Agency Muster

Leading Producers and Home Office Men Met This Year at Old Point Comfort

A party of approximately 200 members of the Peoria Life \$100,000 Club and guests enjoyed their annual outing at Old Point Comfort at business meeting. George C. Berra, president of the club, presided at one session and O. H. Conlon, the new president, presided at another. Talks were given by Vice-President Walter E. May, President Emmet C. May, R. M. Halgren, J. E. Wansbrough, N. W. Dancy, T. E. Rogers, A. C. Palmer, D. E. Mooney and T. H. Young.

Following the convention the remainder of the week was devoted to entertainment and visits to scenic points.

The leaders of the various Peoria Life Production Clubs were O. H. Conlon of the \$100,000 Club; Merle W. Dancy of the \$200,000 Club; W. D. Lipe of the Quarter Million Club; and L. S. McCoy of the Half Million Club. The last mentioned group was organized for the first time this year and included besides Mr. McCoy, R. C. Wey of Indiana, and Henry Chubb of Pennsylvania.

All details were in charge of the Vice president Walter E. May. Other officials present were President Emmet C. May, Dr. F. A. Causey, James B. Wolfenbarger, and William J. Bruninga. President May was very enthusiastic over the record of the club. During the year ending July 31, the Peoria Life has made a gain in business in force of \$31,235,515, and expects to close 1930 with about \$220,000,000 of business in force. Credit for the effective results of the agency force is assigned in considerable degree to the stimulus furnished by the Peoria Life production clubs.

Mutual Life of Canada

TORONTO, CAN., Aug. 28.—An agents' convention of the Mutual Life of Canada, which also marked the 60th birthday of the company, was held here. About 250 branch managers and other field men were present. John Marshall Holcombe, Jr., manager Life Insurance Sales Research Bureau, Hartford, was one of the speakers. He stated that there are too many undertrained insurance agents in Canada. President R. O. McCullough was in the chair at the banquet.

Old Line Life in Convention

President Fry Declared in Address There Is Business If Agents Work Hard

MILWAUKEE, Aug. 28.—Agents today should make investigation and inquiry into employment, rather than unemployment, Rupert F. Fry, president of the Old Line Life of this city, told the agents in attendance at the agency rally.

"We hear some talk about unemployment, and quite often I receive letters explaining unemployment conditions in the United States," Mr. Fry said. "Now these are generally from fine men, but they waste their time and mine. We should make our investigation and inquiry as to the employment situation. It is also true certain sections of the country have experienced drought a little more this year, in addition to the talk on unemployment," Mr. Fry said, "but let us look at the actual figures."

Mr. Fry took estimates on employment based on census figures for various

states, observing that Michigan, which showed the largest ratio of unemployment, had 3.3 percent unemployed, leaving, he pointed out, almost 97 percent working, and therefore prospects for insurance, while economists feel that the economic effect of the drought may solve some difficult agricultural problems.

"It would be pretty hard to make me believe we cannot secure a substantial volume from the 97 percent of people employed," Mr. Fry said. "We can help the situation too by doing constructive things, and by not bemoaning the fact of unemployment. Last year we were looking through rose-colored glasses, and this year we are looking out of blue ones. If you look through clear glasses you will see that most of our thirty million families are working and spending about as much as last year."

Takes Harder Work

"We will admit that things are a little slow, but a big volume of business is not to be had for the asking. It takes hard work and a lot of energy. The thing today is to make your own inquiry on employment. Strike your own average of unemployment in your own territory, from investigation by yourself. The rest are prospects. Look among your relatives and friends and when you find a man whose income today is as great

as a year ago, but who is talking hard times, sit down and reason with him.

"Nothing is going to happen to this great country that will put you or me out of business," Mr. Fry told the agents. "If you are going to do business with me, do it now and show yourself and your family that you are not afraid to do business at a time when many are scared to death."

People Need Insurance

"People need insurance as badly today and probably more so than they ever did," Mr. Fry said, pointing to the fact that there were about the same number of members in the Star Leaders Club for this year as there was last year. "Many of you will go away and double your volume. When you hear employed men talking pessimistically, drive home the information that only 3 percent of the people are unemployed now, and then talk about your business. You'll sail along with flying colors for the balance of the year."

Dr. C. J. Rockwell Spoke

N. Gust Hartberg, Marinette, Wis., is president of the Star Leaders Club. P. A. Parker, agency secretary, acted as chairman, and introduced Dr. Charles J. Rockwell, life insurance educator, who talked on "Finding Prospects for the Income Policy." He advised agents to



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This hotel has served in convention and conference sessions, more than FIFTY outstanding insurance organizations; TWENTY-THREE of them having met in the hotel more than once.

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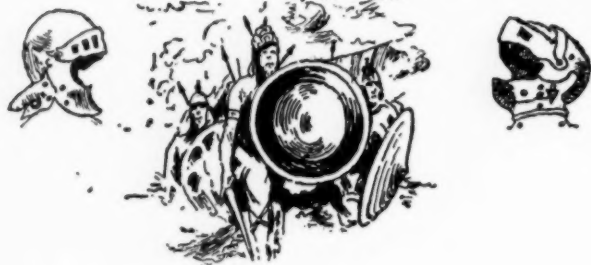
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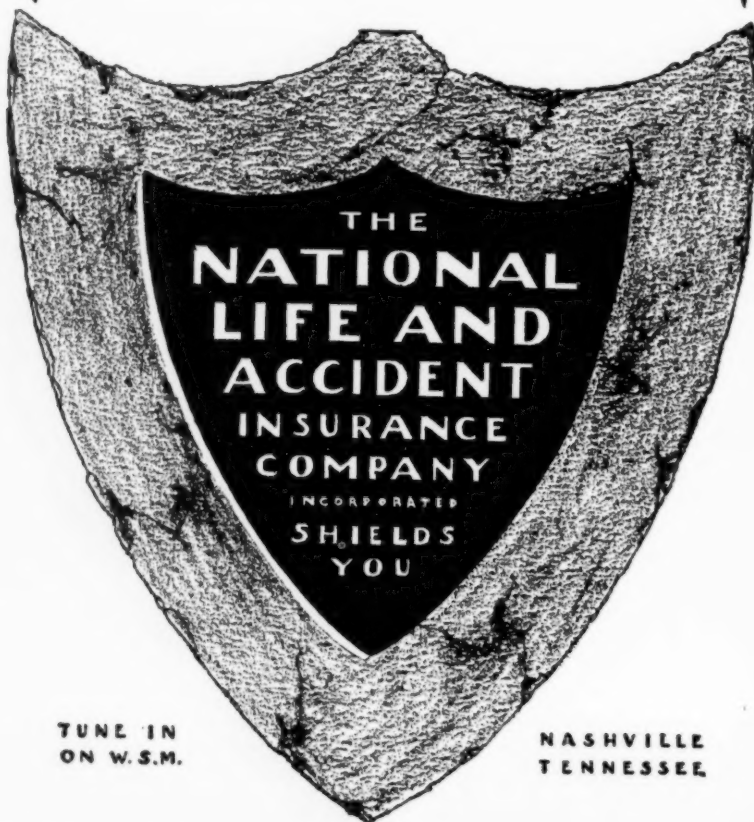
Helpful

Shield Men of the National Life and Accident numbering over 3,000 obtain definite help from the Home Office that enables them to receive a ready reception from prospects and policyholders.

This company helps agents by extensively advertising in magazines, trade papers, and street cars. "Our Shield," a weekly house organ, booklets and the well known and popular radio station WSM are also being used to advertise this company.

Having some knowledge of this company before the approach of an agent prospects are anxious to learn more about the organization that "Shields Millions."

It pays to be a Shield Man!



TUNE IN
ON W.S.M.

NASHVILLE
TENNESSEE

begin working hard on this policy while it is on the wave of an immense popularity, pointing out that the stir made by unemployment in 3 percent of the population shows how people regard the importance of income. The income policy is the most forward step taken in life underwriting in many years, Dr. Rockwell said, since it puts into transferable form men's ability to make or manage money.

Bankers National Men Meet

Century Club Holds Convention at Hot Springs, Ark.—Visual Sales Methods Demonstrated

Leading producers of the Bankers National Life of Jersey City, N. J., met at the convention of the company's Century Club, or \$100,000 group, at Hot Springs, Ark., Monday, Tuesday and Wednesday. Beside the club's 28 members, Ralph R. Lounsbury, president; George Ramee, vice-president and superintendent of agencies; Julio M. Steinacher, vice-president and manager of group department; Arthur C. Ward, manager borrowers' protection department; Hugh Branson, western superintendent of agencies, and James A. McKay, general agent Jersey City, whose agency led the 1930 club year, were present.

The morning and afternoon sessions were taken up with talks by company representatives.

Messrs. Ramee and Branson made effective use of visual sales methods.

The banquet Tuesday night was featured by addresses by S. Rapoport, Providence, R. I., and J. Oliva, New York, president and vice-president, respectively, of the Century Club. They were followed by Mr. Lounsbury, who discussed the company's plans for 1931. Mr. Rapoport, as the leading producer, succeeds A. G. Russell, president 1929 Century Club, western division.

Northwestern National Meet

Eastern Regional Convention at Atlantic City Is Addressed by President O. J. Arnold

ATLANTIC CITY, N. J., Aug. 28. —Citing the company gain in production and insurance in force as indicative of good progress, President O. J. Arnold of the Northwestern National Life of Minneapolis pointed out in his opening address at the eastern regional convention that the real goal is not volume but rather the rendering of exceptional service to the policyholder which includes the furnishing of insurance at low cost.

Many Agents Present

About 150 agents and their wives including delegates from the eastern states and also the leaders in the central and western regions attended and honored members of the "1930 big ten" at a banquet Wednesday evening.

President Arnold declared that the 13 percent gain in new paid for business, which was increased \$78,000,000 for the 12 month period ending June 30 as compared with \$69,000,00 the previous year, was eminently satisfactory. The constantly reducing management expense ratio was given as proof that the company is strengthening its position as a leader in low net cost.

Gain Is Recorded

"The gain of \$36,000,000 in insurance in force which was 44 percent of the new business total is well above the average of the leading 50 companies for 1929," President Arnold said in stressing the importance of keeping down lapses, "but it is below our own exceptionally fine 1929 record of 49 percent. Personal contact between the soliciting agent and the policyholder is the price of success in eliminating the waste from lapses."

President Arnold introduced E. C. Henkel, leader of the big ten, who produced \$615,000 new business during the

SPIRIT OF PROGRESS

Characterized in

BANKERS
NATIONAL

YOUNG IN
YEARS

but

OLD IN
EXPERIENCE

A Company that

OFFERS OPPORTUNITIES

To the successful producer who wants an opportunity to build his own agency.

Write to

BANKERS NATIONAL
LIFE INSURANCE CO.

Jersey City, N. J.

R. R. Lounsbury
President

Geo. Ramee
Vice-Pres. and Supt. of Agencies

12 month period in two Minnesota rural counties. Most of his business was high premium income endowment which translated into ordinary life would have approximated \$1,000,000.

J. K. Schwartz, general agent at Newark welcomed the convention to his state and the reply was given by Truman H. Cummings, manager of the Michigan agency at Detroit. Big Ten members were especially honored at the banquet at which Mr. Henkel and Mr. Holcombe of the research bureau were speakers. Dr. Henry W. Cook, vice-president and medical director presided as toastmaster.

Boost Organized Sales Talks

Abraham Lincoln Producers Told Virtues of That Method During Convention in West

By FRANK W. BLAND

TROUTDALE-IN-THE-PINES, COLO., Aug. 28.—The 1930 convention of the "Rail Splitters' Club" of the Abraham Lincoln Life was conducted in the famous Colorado mountain resort and was attended by 41 delegates from Ohio, Missouri, Illinois, Michigan and Indiana.

The business sessions centered around two principal subjects "Conservation" and "Organized Planned Sales Talks." Home office officials in attendance were: H. B. Hill, president; F. M. Feffer, vice-president and agency manager; J. Fairlie, vice-president and actuary; O. F. Davis, assistant agency director, and H. D. Davis, agency superintendent.

The meeting of the accident and health department was held en route with Mr. Davis presiding. A round table discussion was held on, "Selection" and "How to Encourage Office Pay."

Fairlie on Disability

The topic of "New Disability Benefits" was handled by Vice-president Fairlie. A new policy was announced, known as "Complete Coverage Compensation Policy." It includes accident and health in conjunction with life insurance.

An interesting discussion of the advantages of the standardized sales talk

developed the following arguments in its favor: It makes the agent the master of the interview; it insures the use of all important sales points; it eliminates hesitation; it develops poise, efficiency, confidence, and courage; it destroys fear; it guarantees a logical sequence of ideas; constant repetition improves the presentation; it prepares the agent for any emergency; it makes each canvass better.

Frank W. Bland Speaks

Frank W. Bland, Pacific Coast manager THE NATIONAL UNDERWRITER, presented a demonstration along organized selling lines on the subject of, "Selling Educational Bonds."

Vice-President Feffer acted as toastmaster at the banquet. Speakers were James Goddard, state agent in Colorado for the Franklin Life, Mr. Bland and President Hill.

President Hill's Talk

Mr. Hill explained the financial set-up of the company and pointed out that its assets have been increased this year by \$300,000. Mr. Hill said he believes the business depression to be about over. He believes the individual and every business should carry a financial reserve to meet the unexpected, just as does the

life insurance company. He pointed out that unhealthy conditions exist whenever interest rates are either unusually high or low. Inequality of production and distribution rearrange many values, he observed and bring about depression periodically. It is for this periodical depression that he believes a reserve should be created by each individual.

Aetna Life Convention

Plans are now being formulated for a regional convention of representatives of the Aetna Life and affiliated companies to be held at Del Monte Sept. 15-17. W. L. Mooney, vice-president, and a number of other home office representatives will be in attendance and will assist in the educational discussions of the various lines which are to be a feature of the conference. Golf and tennis tournaments with a barbecue luncheon are to have a prominent place on the program.

Nollen Heads Party

Gerard S. Nollen, president of the Bankers Life of Iowa, headed a home office delegation to Glacier National Park last week to conduct the annual school of instruction for the "President's Premier Club." With Mr. Nollen

went W. W. Jaeger, vice-president and director of agencies; B. N. Mills, secretary; O. B. Jackman, superintendent of agencies; Dr. Ross Huston, medical director, and J. H. McCarroll, advertising manager. More than 50 star salesmen of the company qualified for the school which began Tuesday and will continue to Saturday. From Glacier National Park, the Des Moines party will go to San Francisco to conduct a one-day school of instruction for salesmen. Similar schools will be held at Tulsa, Minneapolis, Toledo, Washington, D. C., St. Louis and Cedar Rapids.

Texas Life

More than 100 agents of the Texas Life attended the annual agents convention at Galveston. John D. Mayfield, president, presided at the convention. Following a general business session the agents were guests of the company on a boat ride on Galveston Bay and a dinner and dance. Among those making brief addresses at the convention were John D. Mayfield of Waco, J. B. King of Dallas, K. L. Riggs of Lubbock, N. V. Henderson of San Antonio and F. A. Spencer of Bonham. The company's assets now total nearly \$6,000,000. President Mayfield said.

The part we play in the performance of a great service

THE agent glanced up as a haggard young man entered his office. A claimant, he guessed. Suddenly he remembered. A year ago, this man had wanted to cancel the disability endorsement on his Life policy. Probably he would never need it, he had said, and he did not wish to pay the extra premium.



The man spoke—"tuberculosis—sanitarium—disability benefits—arrange payment—my wife."

The Agent made the necessary arrangements, recalling the day when all his powers of persuasion had been necessary to convince this man of the value of the disability endorsement, its non-cancellable feature and waiver of premium clause. The sick man spoke his thanks, left.

Another day brought another visitor—the ill man's wife left without income or support. She was anxious about the disability benefits. The Agent reassured her. Payments would start soon and continue as long as disability lasted. She smiled pathetically. "That will enable me to keep my children with me. We will go to my mother's and we will manage to get along."



Thirteen months passed, each bringing Continental's draft. Then death came. A few days later



the Agent delivered Continental's final draft—\$3,000.

Not a great sum, but as he handed the widow the check and saw the gratitude in her eyes, he gave thanks for the renewed realization of the part he had in a great work—for a day when he had convinced a healthy young man that the future is uncertain and insurance the only safeguard.

THE Continental Companies, their officials and every man and woman among their thousand employees also have a full realization of their part in the performance of a great service—to individuals and to society. It is that realization that inspires and makes possible the careful and considerate attention the Affiliated Companies give to the needs, great and small, of their every agent and policyholder.

Continental Casualty Company Continental Assurance Company

CHICAGO - - - ILLINOIS

Attends Convention



EDWIN A. OLSON, President

The agency convention of the Mutual Trust Life of Chicago is being held this week at Troutdale-in-the-Pines, Colo. President Edwin A. Olson and Vice-president C. A. Peterson are present and addressed the field workers. The Mutual Trust Life has a large agency organization working in a number of States. Each year the company grows in stature. The two chief officials have had much to do with its advancement.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem." Published Annually in May and April respectively. PRICE, \$4.00 and \$2.00 respectively.

Reliance Issues Non-Medical

Enters Field for First Time With Campaign Being Waged in August and September

For the first time in its history the Reliance Life of Pittsburgh has entered the non-medical field, but only in a limited way. In August and September the company offers to policyholders who have taken insurance within the last two years the opportunity of acquiring non-medical up to \$10,000.

The Reliance will not issue less than \$2,500 on this plan and also will not issue on the basis of an examination within the previous two years for less than \$2,500. In preparation for the two months' campaign the Reliance sent to all agents policyholders cards in cases

where insurance had been taken within the last two years, indicating the amount and other information.

Agents receive a certain number of these cards each week and must personally see the policyholders and report each week, otherwise the cards will be sent to other agents in the territory. This, it is believed, provides a double incentive which will make certain that practically all persons who have taken new insurance with the Reliance within two years will have been serviced by the end of September.

Atlas Life's New Actuary

The Atlas Life of Tulsa, Okla., has appointed William Clay McCord resident actuary.

Mr. McCord was graduated from the University of Michigan with the highest distinction—magna cum laude.

NEWS OF LIFE ASSOCIATIONS

Kansas City to Have School

Life Underwriters Will Have a Training School for Younger Agents in the Business

KANSAS CITY, MO., Aug. 28.—Under the auspices of the Kansas City Life Underwriters Association, a school for members will be held beginning Oct. 6 and continuing every Monday night for nine weeks. The school is designed to offer the comparatively new man in the business a comprehensive course in insurance salesmanship.

The committee in charge is composed of the following: B. A. Hedges, field supervisor for the Business Men's Assurance, chairman; Reid Hake, Bankers Life of Iowa; James Mickel, State Mutual, and Ed Hasek, National Life of Vermont. Instructors selected to date are Art Sweeney, general agent, Mutual Benefit; Willard Ewing, general agent Provident Mutual; Ed Hasek and Mr. Hedges.

A similar school was conducted last year. The purpose of instruction is to

reach men not in the business longer than three years, and the school is particularly adapted to agencies not having regular educational courses.

Chicago Managers Disbanded

Association Formed During War Turned Over \$550 Left in Treasury to Life Underwriters

The Life Managers Association of Chicago, organized during the war as a medium for selling Liberty loans and also because the Chicago Association of Life Underwriters was not coherent at that time and united action often was needed, has been dissolved. Edgar C. Fowler, veteran general agent of the New England Mutual in Chicago, was the last chairman. The late E. A. Ferguson, former general agent of the Union Central, was one of the principal organizers and the first chairman.

The present action was taken because the Chicago association has become closely knit. The managerial activities will be carried as a part of association work in the general agents' and managers' division. There was about \$550 left in the treasury which it was unanimously voted to turn over to the Chicago association with the managers' compliments. There were about 25 members.

High Point, N. C.—Life underwriters of High Point, realizing the need for an organization, have finally held their first meeting at which 25 members were signed up. The town had an organization about 10 years ago but it had no affiliation with the national organization. At the first meeting Norman L. Garner, Reliance Life general agent, was elected president, George Elliott, Jefferson Standard district manager, vice-president and B. B. Owens, Colonial Life general agent, secretary.

Baltimore—At the annual meeting of the Baltimore association set for Sept. 12 officers will be elected and changes made in the by-laws. Nominations are as follows: President, George A. Myer; vice-president, R. Earle Greenlee, secretary-treasurer, George S. Robertson; executive committee, E. Jay Becker, Dennis Kavanaugh, Warren K. Magruder, Henry H. McBratney, Joseph Meyer, Herbert A. Taylor.

Richmond, Va.—J. H. Fray, agent for the Maryland Life, won first prize at the golf tournament sponsored by the Richmond association last week with a low net of 64. Nat. Harrison, Sun Life, carried off second honors with low net of 70.

Texas—The fall meeting of the Texas association will be held in Abilene Oct. 3 it is announced by E. W. Curtis, president of the West Texas Association of Life Underwriters under whose auspices the convention will be staged.

Cedar Rapids, Ia.—The Cedar Rapids association will hold a one-day sales school Sept. 12 with Charles J. Rockwell, insurance educator, as principal speaker. A dinner in the evening will conclude the session.

Hobbs Wins in Primaries

Charles F. Hobbs, insurance commissioner of Kansas, won the Republican nomination by a plurality of 12,092 over two opponents. J. F. Farley of Wichita won the Democratic nomination hands down.

Mr. Hobbs did not quite get a majority of the votes cast. He had a hard fight in some localities where opposition to the fire insurance rate settlement was developed as a political issue and in one or two other counties where there was opposition from insurance men who were fighting the commissioner because he would not let them handle company funds at their own will.

Why the Mutual Trust Life Insurance Company

Reason
No.

3

Mutual Trust's Honorary Production association, The Old Faithful Club, holds its annual convention at Troutdale-in-the-Pines, Colorado, August 25 to 29 this year. The Club convention was at Ocean City, New Jersey, in 1929, and will be held at Bigwin Inn, Canada, next year.

Mutual Trust
LIFE INSURANCE COMPANY

Edwin A. Olson, President

CHICAGO

ILLINOIS

"As Faithful as OLD FAITHFUL"



Aviation Group Raise Is Urged

(CONTINUED FROM PAGE 3)

only—will require an approximate annual extra premium of \$50 per \$1,000 to cover the pure claim cost of fatalities.

"Air mail pilots average about 700 flying hours per year. In order to overcome the difficulties in rating outline in the above, and to reflect in the rate as accurately as possible the amount of flying done by the various classes of employees in risks of this kind during a certain policy year, the subcommittee recommends to the main committee, for the purposes of discussion, a minimum extra for transport companies of 7 cents per \$1,000 per hour of flying time per employee (including not only pilots and other members of plane crews, but also officials and other employees flying as passengers on the company's lines in connection with their duties).

Set This as a Minimum

"This extra includes no loading for expense or contingencies and appears to be the absolute minimum which should be charged. It is hoped that when more complete statistics are published, similar rates can be worked out for other classes of flying, such as limited commercial, industrial, etc. It is probable that a higher extra rate per hour will be necessary for the more inexperienced classes of pilots ranging possibly up to 40 cents or 50 cents per hour."

Canada Topics Are Discussed

(CONTINUED FROM PAGE 3)

weeks before the conference as possible. Flattering reference was made by representatives of the insurance interests present to this practice.

On Monday evening the government of the province of Alberta tendered a banquet to the superintendent and out of town visitors at which Superintendent Garrett of British Columbia, Henry E. North, third vice-president of the Metropolitan Life, Ottawa, and John B. Laidlaw, president Canadian Security Insurance Company, Toronto were the chief speakers.

On Tuesday the insurance fraternity of Alberta tendered a luncheon to the superintendents at which Superintendent Dugal of Quebec, vice-president of the association; James V. Barry of the Metropolitan Life, New York, and Henry S. Ives of the Casualty Executives Association, New York, were the principal speakers.

Discussion of the reports relating to life insurances was commenced and occupied much time. Although the decisions of the association cannot be known until the report of the secretary of the proceedings of the private executive session is released, it is now possible to indicate the trend of the discussion and to suggest its probable outcome.

With respect to statutory conditions in life contracts and the proposed definitions relating to life insurance embodied in the report on that subject, the Associated Life Underwriters, for which V. R. Smith, assistant general manager Confederation Life, acted as spokesman, urged that the association should recommend no legislation for enactment at the ensuing legislative sessions and undertook to cooperate with a committee in the preparation of proposed legislation for presentation at the 1931 conference, if his suggestion was adopted.

Want Legislation Postponed

Some of the provinces seem to feel that some legislation should be recommended for enactment now, but the probability is that the views of the life companies will prevail. Insofar as the proposed amendments to the uniform life act are concerned there appears no movement to press for any amendments this year with two exceptions, viz., the proposal to increase the sums insurable at age less than 10, and to amend the section of the act relating to contracts

of fraternal societies to provide that the policy or certificate of insurance, in addition to the constitution and laws of the society, etc., constitute the contract between the society and its member. There seemed to be a unanimous feeling that all the other amendments proposed should be referred to a special committee and made the subject of a special report to the 1931 conference.

Life Agents License Act

The most interesting discussion is arising out of the proposed new uniform life insurance agents licensing act. Since the committee report was written the companies and the life underwriters have reached an agreement on the terms of the bill embodied in the report with numerous amendments. They are urging the association to recommend the bill for enactment by every province this year.

Go With the Federal Reserve

Lloyd Thompson, formerly actuary for the Bankers Credit Life of Birmingham, Ala., and previous to that actuary for the Northern States Life at Hammond, Ind., has been made actuary of the Federal Reserve Life of Kansas City, Kan.

Pack for Yellowstone Trip

Dorsey and Goss Will Head Security
Life Producer in Four Day
Convention

From Tuesday, Sept. 2, until Friday of that week leading producers of the Security Life of Chicago will be presented with valuable sales ideas and will be entertained with sight-seeing visits in Yellowstone Park.

The home office contingent of the Security is headed by President Machir J. Dorsey, Vice-President S. W. Goss, and Dr. S. S. Werth, medical director, all of whom will address the agents. F. G. May, who is the retiring club president, will preside at the first day's session, while A. P. Thomas, president Quarter Million Dollar Club, will preside at the Wednesday session.

Sylvia M. Card, president \$125,000 Club, will conduct the session on Friday. The sessions Tuesday and Wednesday will be held at the Old Faithful hotel but the convention will move on to meet at the Lake hotel, Wednesday evening and will proceed to the Canyon hotel for the Thursday evening session. Between sessions members of the party are scheduled to visit Yellowstone Lake,

the Grand Canyon and other points of interest in the park.

Among the features of the program are "How Important Is Good Prospecting," by E. G. Waltz and W. E. Bowlds; "How I Determine a Prospect's Needs," by W. J. Holpa; "Tow I Prepare for the Sales Interview," by W. D. Hawley; "What I Say in the Approach," by Sylvia M. Card; "How I Sold \$90,000 in November," by J. B. Wood; "How I Keep My Policies Sold," by B. J. Langenhof; "Who Is Responsible for Lapsation?" by William Hordes.

Others who are scheduled to address the convention are Hal Frazer and T. J. Fitzpatrick.

After dinner at the Mammoth hotel, the party will leave Gardiner on the return trip Friday evening.

Englesman Leaves Faculty

Ralph G. Englesman has resigned from the faculty of the New York University life insurance training course to devote all his time to the general agency of the Penn Mutual in New York City. Since he joined the faculty in 1924 Mr. Englesman has talked or lectured in more than 40 cities in the United States and Canada and has assisted in training nearly 3,000 men.

A 100% PROSPECT FIELD



Royal Union Life Building
Cor. Seventh and Grand Ave.
Des Moines, Iowa

The Royal Union offers policy contracts at every age from one day old to age 60.

Our Juvenile policies, written on children as young as one day old, go into full benefit automatically at age 5—big winners!

We write women on equal basis with men.

We feature a special low-rate policy to business and professional men.

Under a Royal Union liberal general agency contract you are thus privileged to serve a 100% prospect field.

ROYAL UNION LIFE INSURANCE COMPANY

DES MOINES, IOWA

A. C. TUCKER, President

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

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Member Audit Bureau of Circulations

Epstein's Theory of Life Insurance Relativity

"The Insurance Racket" is the title of an alleged expose of the high cost of life insurance in contrast with state insurance which appears in the forthcoming issue of the "American Mercury." The author is ABRAHAM EPSTEIN.

The author introduces his remarks by reviewing the findings of the 1905 New York legislative commission's investigation which he listed as nepotism, excessive salaries for high officers as against low wages for clerks and agents, extravagant cost of writing insurance, excessive rate of lapses, and control of legislation and public opinion by lobbies. EPSTEIN professes ignorance of the lobby situation today but he claims that the other evils have not been corrected since 1905.

Bringing sisters, cousins, aunts, brothers, and nephews into high employment of life companies by executives is common practice, according to EPSTEIN, who furthermore makes the astounding contention that this practice is unheard of in government. "Presidents' sons and sons-in-law do not, as a rule, either become cabinet ministers or inherit the White House," EPSTEIN states.

That, of course, is the rankest sophistry. Presidents' sons and sons-in-law may not, "as a rule," "inherit" the White House but JOHN Q. ADAMS "inherited" the White House, which was occupied by his father; BENJAMIN HARRISON "inherited" the White House, which was occupied by his grandfather; WILLIAM G. McADOO became Secretary of the Treasury in his father-in-law's cabinet; J. R. GARFIELD, son of President GARFIELD, became Secretary of the Interior; ROBERT T. LINCOLN became Secretary of War, as well as minister to Great Britain. Moreover, if the comparison is to be limited strictly to the federal government, an amazing list of in-laws together with sons, daughters, uncles, nephews and more distant relatives who have been placed in juicy bureaucratic positions and posts carrying prestige might be prepared. It would be trite to mention nepotism in

state, county, municipal and other sub-divisional politics.

EPSTEIN does not charge that the relatives who are brought into life companies are incompetent. That would be his only justification in mentioning the subject. A relative of a life insurance executive is not necessarily contaminated by that relationship. The fact that he bears such relationship might even indicate that he is especially qualified to carry on the work.

No one has ever charged that the house of MORGAN was milking the public because the institution has been handed down from father to son, or that whatever evils may exist in the oil business are due to the ROCKEFELLER succession, or that certain great newspapers are a public menace because sons and grandsons are in the editor's chair. The fallacy of this feature in EPSTEIN's alleged exposé is enough to discredit his entire work.

Mr. EPSTEIN's charge that excessive salaries are paid life insurance executives may easily be exploded. He expresses great distress because the president of the life company, which is the largest financial institution of the world, in 1928 drew a salary of \$200,000. Other figures which he mentions as being excessive are \$100,000, \$75,000 and down to \$15,000. He compares these salaries with the stipend of the President of the United States and other governmental officers. Most persons admit that the President's salary is inadequate, but is it valid to argue that the salary of executives of private industries should not exceed that of the President?

JAMES W. GERARD, former ambassador to Germany, named a group of 59 persons as the "men who rule the United States." Not one in the list was in politics and it is safe to say that every one on the list draws a salary or other remuneration many times the salary of the President. On this list are five members of the DuPont family, all of which are associated in a single company or allied concern. Is this nepotism? JULIUS ROSEN-

WALD is mentioned. His sons and sons-in-law occupy executive positions in SEARS, ROEBUCK & Co. HENRY FORD is mentioned and this brings to mind the success of EDESEL FORD. SAMUEL INSULL is listed and his name recalls that of his brother, MARTIN INSULL, and his son, SAMUEL INSULL, JR., both of whom occupy high positions in Insull operations. WILLIAM RANDALL HEARST is mentioned and it may be said that members of his family are not taboo in the newspaper business. COL. ROBERT R. McCORMICK, publisher of the Chicago "Tribune," and JOSEPH MEDILL PATTERSON, publisher New York "Daily News" and "Liberty," magazine, are on GERARD's list. They are the grandsons of JOSEPH MEDILL, founder of the Chicago "Tribune."

A salary of \$200,000 seems insignificant in comparison with the bonuses and salaries paid according to the recent revelations of the BETHLEHEM STEEL COMPANY's affairs. Instead of being excessive in comparison with other industries, the salaries paid life insurance executives are decidedly below the average.

Mr. EPSTEIN charges that the high lapse ratio and the number of life insurance policies surrendered constitute a scandal. The public perhaps does not know of the tremendous effort on the part of life insurance interests today to halt the tendency towards lapsation, which they recognize as an economic waste. Lapses may be the result of policy loans. During the stock market boom, thousands of speculators lapsed their life insurance policies in order to get funds to gamble on the stock market.

Life insurance, like savings bank accounts, is hard to sell. We are not a conserving nation and we do not think of the future. Most people must be dragooned

into buying life insurance and depositing their money in savings banks. The probate court records reveal that of the estates filed therein the only assets in 65 per cent of them are life insurance.

Despite the tremendous selling effort that is required in life insurance, it is safe to say that the acquisition cost is much greater, if it is any greater, than that of merchandising firms. The remuneration of JULIUS ROSENWALD, chairman of the board of SEARS, ROEBUCK & Co., is well known but his philanthropies run into millions.

EPSTEIN compares the cost of life insurance in private companies to the Massachusetts savings bank life insurance system. The latter costs, he declared, are much lower. Critics have declared, and the criticism has not been answered, that much of the cost of life insurance administration under the Massachusetts savings bank life insurance system is charged to bank depositors. In the allocation of expenses, the life insurance end of the business is not charged its proportionate amount.

EPSTEIN mentions the Massachusetts system. How about the Wisconsin state fund? The writings of this over-the-counter insurance have been negligible, although its costs are low. Life insurance has to be sold and sold aggressively. In order that this country may be adequately insured, there must be an adequate inducement to the seller. Life insurance is one of the most indispensable services in the world, and yet everything but knockdown drops is required to sell it. It is sold, not bought. This is unfortunate and if EPSTEIN can develop a system for altering human nature he will reduce the cost of insurance.

PERSONAL SIDE OF BUSINESS

The national and supreme convention of the Independent Order of Herdsmen will be held in Cincinnati on Sept. 18. One of the guest speakers will be Charles M. Biscay, manager ordinary department of the Western & Southern Life.

C. H. Blackwell, 45, manager at Evansville, Ind., for the Western & Southern Life, died there last week from heart disease.

C. A. Ferrill, 43, general agent for the Atlantic Life at Columbus, Miss., was drowned in Walker Lake, near West Point, when his boat overturned while fishing. Funeral services were held in Laurel, Miss., his former home.

Leo Rock, formerly head of the Cleveland agency of the Mutual Life of Baltimore, has been named vice-president and transferred to the home office as assistant to President Paul M. Burnett.

James J. Harrison, vice-president of the Home Life of Arkansas, was appointed temporary chairman of the central committee organized at Little Rock by Governor Harvey Parnell to direct drouth relief activities. Its membership includes Senators Robinson and Caraway, and Harvey C. Couch, president of the Arkansas Power & Light Company, will serve as state relief director. He occupied that position in 1927 following the disastrous overflow.

I. T. Townsend has been advanced from assistant vice-president of the Life of Virginia to vice-president. Mr. Townsend, who has had supervision over

production of industrial business since last March, started as cashier of the Petersburg district office in January, 1904. A year later he was transferred to the home office. He was made assistant secretary in 1921, and in 1922 was made assistant manager of the mortgage loan department. In June, 1926, he was given the title of assistant vice-president.

Thomas F. Lawrence, Illinois department manager for the Reliance Life in Chicago, has been on vacation at Eagle River, Wis., in the north woods and is expected to return at the end of this week.

Mrs. H. A. Hodge, wife of Agency Manager H. A. Hodge of the Ohio State Life, died at her home in San Antonio this week.

Harold Peirce, for many years a leading personal producer of the New York Life at Philadelphia, sailed last Saturday on an ocean trip which it is hoped will greatly benefit his health. Mr. Peirce had an operation early this year, was in the hospital three months and had to spend another month in bed at home. His eyesight has also been very poor for some time.

The thrill of visiting in the house, in far off Utrecht, Holland, where his mother was born and spent her early childhood, came to President Gerard S. Nollen of the Bankers Life of Iowa while visiting abroad this summer.

With Mrs. Nollen and two daughters, the Bankers Life president spent several days in Holland, most of that time at Utrecht. He found the house

In Our New Home

Saturday, August 9, was official moving day for the Business Men's Assurance Company. The Home Offices are now located in the modernly equipped and beautified Business Men's Assurance Building, on the Union Station Plaza.

Policyholders and friends coming to and passing through Kansas City are greeted by the B. M. A. flag floating in the breeze, and the sign of the Business Men's Assurance Company when they step out of the Station door.

Already they are finding it convenient to drop in and become acquainted, and those who have done so have been deeply impressed with the development of the Company and its present Home Offices.

When in Kansas City—visit. . .

The Home of Complete Protection



**Life
Accident
Health
Group**

BUSINESS MEN'S ASSURANCE COMPANY

**On the Union Station Plaza
Kansas City, Missouri**



**More than . . .
\$89,000,000.00 Life Insurance in Force
\$21,500,000.00 in Benefits Paid Policyholders**

The POWER to EARN

That is what the Inter-Southern seeks to develop in its agents. ¶ The Inter-Southern is large enough to command respect but not too large to maintain intimate contact with its field force. ¶ The Inter-Southern offers Home Office assistance, Home Office touch, Home Office appreciation of the obstacles to be met by its men in the field. ¶ The Inter-Southern invites ambitious men into its family.

**INTER-SOUTHERN LIFE
INSURANCE CO.
LOUISVILLE, KENTUCKY.**

**CAREY G. ARNETT, President
Home Office, Louisville, Ky.**

in which his mother was born to be exceptionally well preserved. His mother left in 1847 at five years of age to come to the United States. It is a stone house of some 12 rooms fronting directly on the street with the back yard devoted to a typical Holland garden, ending at a canal. The house is now a home for aged people.

Dr. Charles A. Heiken, assistant medical director, has been appointed medical director of the Home Life of America whose head office is at Philadelphia to fill the vacancy caused by the death of Dr. E. Bryan Kyle who held this position for 22 years prior to his death.

Dr. Heiken entered Villanova College where he attained considerable scholastic distinction, being the valedictorian of the class of 1916. In 1920 he graduated in medicine from the University of Pennsylvania and after an internship of three years at the Philadelphia General Hospital, he began active medical practice in Philadelphia. In 1924 he was appointed medical examiner for the Home Life of America and several other leading life companies. On May 8, 1928 he was appointed assistant medical director of the Home Life, whose business in force was then rapidly approaching the \$100,000,000 mark.

J. H. Campbell, general agent All-States Life at Gadsden, Ala., has written that he is in a dreadful quandary as to whether he shall name his new girl baby "Ben Rufie" or "Rufie Ben." He desires to honor both Ben W. Lacy, president, and Rufus Horton, field superintendent of the company in north Alabama, but could reach no decision as to which should receive the initial distinction.

A farewell dinner was tendered Assistant Secretary **L. J. Schmoll**, manager of the ordinary division of the Canadian head office of the Metropolitan, on his departure for San Francisco, where he has been transferred to

a high position. Henry E. North, third vice-president, presided. An address was read by B. Guzzo. Mr. Schmoll was presented a handsome gold watch by G. M. Herrick, assistant secretary, on behalf of the head office. Mr. Schmoll was installed in Ottawa when the head office was established in the capital, and has had a fine record. He entered the Metropolitan in 1911 as mail boy at the age of 17, in 1912 was promoted and transferred to renewal card checker in the ordinary commission division, and moved rapidly up thereafter. He was appointed assistant secretary and head office manager of ordinary in 1924.

Mrs. C. C. Wimbish, wife of the manager of the accident and health department of Pilot Life, is recovering from a very serious illness.

Kenneth S. Miller, sales promotion manager of the Occidental Life of Raleigh, N. C., has just finished a very interesting advertising campaign which is fast going out to policyholders. Some very attractive sales letters and a booklet written by Mr. Miller are being used.

Henry J. Powell, general agent for Kentucky, southern Indiana and southern Ohio for the Equitable Life of New York, will sail Aug. 29 from Europe for New York. He has been away about six weeks.

The Capitol Life of Denver has appointed **Merlin Oates** secretary. Mr. Oates had been acting secretary for several months prior to his confirmation.

William H. Diekmann, supervisor of the group division of the Metropolitan in St. Paul, was married Aug. 26 to Miss Mabel Jones, New York City. The ceremony was performed in New York. They will reside in St. Paul.

Warren B. Irons, formerly with the Acacia Life at Washington, D. C., has been made assistant secretary of the

Federal Reserve Life. Mr. Irons has been in insurance more than 10 years and was with the New England Mutual before going with the Acacia.

F. C. Wyatt of Toledo, O., assistant superintendent of the Western & Southern Life, has completed 20 years of service with the company. At a joint meet-

ing of the two Toledo districts with sales representatives under leadership Superintendents R. G. Hartsing and P. Mackley, Mr. Wyatt was presented with a gold service button and membership certificate in the Western Southern legion by Samuel H. Smith, superintendent of agencies for the office in Cincinnati.

LIFE AGENCY CHANGES

Whitlock Succeeds Wilhelm

Northwestern National Secures Agency Superintendent of Lincoln Liberty to Head Omaha Agency

Announcement of the election of George R. Whitlock of Lincoln, Neb., as president of the H. O. Wilhelm & Co. general agency at Omaha in Nebraska and southwestern Iowa for the Northwestern National Life of Minneapolis was made this week by President O. J. Arnold at the eastern regional convention being at Atlantic City.

The election of Mr. Whitlock, at present superintendent of agents for the Lincoln Liberty Life, fills a vacancy left three weeks ago by the death of Mr. Wilhelm, president of the agency which he founded 14 years ago. Mr. Whitlock who is 39 years old and a native of Texas started in the life business in April, 1919, as agent at Superior, Neb., for the Equitable Life of New York after four years' service abroad as a volunteer in the Canadian army. His ability as a personal producer and organizer won for him steady advancement and he joins the Northwestern National agency organization with 11 years' experience in Nebraska as personal producer, supervisor and manager.

No change in the organization of H. O. Wilhelm & Company other than Mr.

Whitlock's appointment as president contemplated, President Arnold said. The general agency ranks among the largest in the state with approximately \$21,000,000 in force and with \$4,000,000 production in 1929. Mr. Wilhelm was well known nationally and locally in life insurance and civic circles. At the time of his death he was vice-president and national committeeman in Nebraska of the National Association of Life Underwriters and had held several important offices in civic organizations.

Members of Wilhelm agency and officers of the Northwestern National Life will extend a welcome to Mr. Whitlock at a meeting and luncheon to be held at the Omaha office Sept. 8.

Dalager Goes to Wilmington

Agency Supervisor Klingman—Force St. Paul Is Promoted to an Agency Management

ST. PAUL, Aug. 28.—A. B. Dalager who for two years has been agency supervisor of the Klingman agency of the Equitable Life of New York, has been appointed agency manager at Wilmington, Del. Before coming to St. Paul Mr. Dalager was district manager in the Klingman agency at Austin, Minn. Under his supervision of the entire agency, the business has increased steadily.

**PERSONAL
FIELD
TRAINING**



New paid for business in 1929 exceeded \$40,000,000, a gain over 1928, and for the first seven months this year the agency increased its paid business 10 percent.

George Mark

The United Fidelity Life has opened a new branch office at 902 Dan Wagner building, Fort Worth, Tex. George Mark is the district manager and has 10 agents working under him. The branch covers the territory as far east as Dallas, and west to the state line.

John C. MacLeod

Transfer from Cleveland to Kalamazoo, Mich., of John C. MacLeod, to take over management of the Kalamazoo office of the John Hancock is announced. A large force is being developed, including agents in Battle Creek, St. Joseph, Benton Harbor, and South Haven. Offices are in the Peck building.

United Pacific Life

The United Pacific Life of Seattle has appointed A. L. Blampied branch manager at Chehalis, Wash., and P. A. Reichow has been assigned to Bellingham, Wash. A district office has been opened at Everett, Wash., in the Central building under the management of George E. Stokes.

R. W. Earl, Lew Wallace

TORONTO, CAN., Aug. 28.—The Canada Life announces that Robert W. Earl has been appointed manager of the Oregon branch at Portland. Lew Wallace assumes the duties of Portland supervisor. Mr. Earl is a native of Portland and graduated from the University of Oregon in 1921. For the past ten years he has been active in life insurance in Portland and vicinity.

Shifts by Baltimore Company

Otto Loleit, formerly manager of the Mutual Life of Baltimore at Youngstown, O., since the office was opened, has been appointed manager at Columbus, O. John Haggerty, formerly chief assistant at Wilmington, O., has been appointed manager at Youngstown. R. Coning, formerly assistant at Wilmington, has been appointed chief assistant in that office.

E. E. Kennedy

The Farmers Union Mutual Life of Des Moines, which has been licensed in Illinois, has appointed E. E. Kennedy of Kankakee, Ill., as state manager. He will appoint general agents in different parts of the state.

Robert Vote

Robert Vote has resigned the position as general agent of the Peoria Life with headquarters at Evansville, Ind., and has taken a position as field agent for the John Hancock Mutual Life at Evansville.

E. C. Weller

E. C. Weller, who for the past year has represented the Bankers' Life of Iowa at Dale, Ind., has been appointed district supervisor for that company and has his office in the Central Union Bank building, corner 4th and Sycamore streets, at Evansville, Ind.

Life Agency Notes

The All-States Life has appointed Cecil O. Copeland of Jackson, Miss., general agent for Hinds county, Miss., and Guy S. Dickin of Lucedale, Miss., general agent for George County, Miss.

M. W. Hess, for the last two and one-half years cashier at the Central Life at Madison, has resigned to become a special agent.

A. C. "Duffy" Nelson, for the past two

years general agent of the Central Life of Iowa at Madison, Wis., has been appointed manager at Fresno, Cal., where he will open a new office.

A. H. Lowe, who has been for 20 years with the Bradley Knitting Company at Delavan, Wis., has been named executive supervisor for the Kansas City Life in Wisconsin.

Charles I. Ross, who has been with the National Life & Accident as superintendent in Jonesboro, Ark., for the past six years, has been promoted to manager and will take charge of a district in Sedalia, Mo.

Floyd Hook has been appointed district agent for the Northwestern Mutual in Whatcom, Skagit and San Juan counties with headquarters at Bellingham, Wash.

George G. Stevenson has been appointed field supervisor of the Des Moines district for the Equitable Life of New York. Mr. Stevenson will retain Perry, Ia., as his personal territory, although he will spend the better portion of his time in assisting the 25 agents under him.

Barton H. Ford of Omaha has assumed the district management of the John Hancock Mutual Life in Sioux City, Ia. He succeeds Charles E. Topin, recently promoted to the Toledo office.

CENTRAL WESTERN STATES

Lustgarten Staff Forges On

Continues String of Million Dollar Months This Year, Largely Through New Organization

The Lustgarten agency of the Equitable of New York in Chicago closed July with \$1,119,777 paid business, thus continuing unbroken its string of \$1,000,000 months this year. For the first seven months this agency has produced \$8,516,403 new business, an increase of 24 percent on volume and 22 percent increase in 1930 allotment. A large portion of this increase is due to the agency's growth in new organization. In 1929 22 new agents paid for \$584,550 for the first seven months; in the same period this year the agency had 39 new agents who paid for \$1,635,490, an increase in number of new agents of 80 percent, and 180 percent in amount produced.

The Lustgarten agency is recognized for its intensive training of new men on a basis which launches them into

early success. A comprehensive course in estate analysis including study of wills, trusts and estates, is scheduled for the fall and winter months, to be conducted by John Morrell, outstanding producer.

Chicagoan Quits Big Agency to Open Brokerage Office

Bernard F. Rogers, Jr., member of Klee, Rogers, Loeb & Wolf, important agency in Chicago, is severing his connection and selling his interest to the firm in order to open his own office as a Class 4 broker in order to be able to give more time to his personal production. This will end an association of some 12 years, of which five have been as a partner. Mr. Rogers' father has been associated with Mr. Klee about 28 years and will remain. The son also intends to continue placing his business through the agency.

His office will be opened Sept. 1 on the seventh floor of the Mather tower, 75 East Wacker drive. Mr. Rogers in



THE GUIDING HAND

BOVE all the things that an airplane pilot fears, he fears fog. The moment the dank coolness of a cloud bank enfolds him, he is blind and lost, unless some unseen hand is stretched forth to guide him. Storm tossed, high above the dark earth, with a rolling sea of blinding vapor below him, where can he turn in the empty sea of the sky for help and guidance to clear flying and safe landing?

These storms and fogs draw perilous nets between the harborless sky and the safe anchorage of clear, firm land. But all of the whims of the weather are now charted as clearly as the tides and currents of the ocean and a guiding hand helps the pilot on his way. The Weather Bureau at Washington that watches the pathways of ships at seas, has lifted its eyes to the pathways of the sky.

And thus does the guiding hand of COMMONWEALTH CORDIAL CO-OPERATION reach forth to help you to a "safe landing" in the future. No more groping blindly in the "fog" of slipshod methods. No more aimless wandering over the clouds of mediocre production.

COMMONWEALTH CORDIAL CO-OPERATION is the beacon light that has guided so many Commonwealth representatives to the "field" of retirement with a comfortable income from renewal commissions built by their own efforts and the constant help of the home office.

Take-off with the COMMONWEALTH LIFE and reach the goal of success with far greater precision than you have ever experienced before. This latest factor of COMMONWEALTH CORDIAL CO-OPERATION overcomes the great obstacle to the efficiency of the underwriter—non-production. Your chances to make good are as unlimited as the far reaches of the sky.

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LIFE INSURANCE CO.**
LOUISVILLE KENTUCKY



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Visual Selling —a reality

Through visual selling Bank Savings Life agents have been able to tell the true story of life insurance — and to tell it convincingly. Impressions through the eye outlive the spoken word. Such salesmanship becomes a well-ordered scientific process.

PROVED IN THE FIELD
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Bank Savings Agents

The volume of insurance produced by our agents month in and month out demonstrates the soundness and desirability of "Visual Selling." Why not ask for more complete information about The Bank Savings Life methods and agency helps.

TOOLS to help you SELL

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GEO. L. GROGAN
Vice-President
In Charge of Agencies

**The Bank Savings
Life Insurance
Company**
Topeka Kansas

addition to conducting a general line business, also will be associated with the well known real estate office of Sudler & Co. He has taken an active part in Chicago real estate operations for some time. Mr. Rogers was graduated from Sheffield Scientific School of Yale in 1915. He was a member of the crew of the boat "Speejacks," which sailed around the world on an adventuring trip shortly afterward.

In the Klee, Rogers office he has devoted most of his efforts to developing personal business, but he installed a life department there four years ago, taking the general agency of the Travelers, and this has been highly successful under his supervision since. A good part of his production is life insurance.

Illinois Life Insurance Shows Gains This Year

Over \$500,000,000 of life insurance was sold in Illinois the first seven months, according to figures of the insurance committee of the Illinois Chamber of Commerce. The total of \$513,972,000 is over \$18,180,000 greater than for the same period in 1929 although July, 1930, sales totaling \$66,757,000 marked the first time this year that monthly sales did not compare favorably with 1929 figures. The 4 percent decrease in July over last year was easily taken up by the huge gains made in other months. July, 1930, sales were also \$6,773,000 less than for the month previous. Forty-nine percent of the number of companies reporting in Illinois showed gains.

Chicago Institute Elects Directors, Launches Plans

Official launching of the American Institute of Estate Advisors at Chicago was signalized Wednesday with election of directors. They are: Harry Anderson, Rockwood Co.; Paul W. Cook, Mutual Benefit; John Hastie, Mutual Life; H. T. Powers, New England; Earl Reynolds, Penn Mutual, and T. C. Rice-Wray. Election of a seventh member was left open for expansion plans. The matter of expansion was left with directors, with full power to act. They will meet in a few days.

Mutual Life Managers Meet

The annual meeting of district managers in the Wisconsin and upper Michigan branch of the Mutual Life of New York was held in Eagle River, Wis., Aug. 14-17. The meeting was attended by district managers in the Gifford T. Vermillion agency from all parts of the state. W. Riggs, Oklahoma state manager, attended.

Patterson Agency Classes

The Alexander E. Patterson agency of the Penn Mutual Life at Chicago began a special series of training classes for its agents. These will run throughout the year for two years every Saturday morning and are being conducted by the supervisors of the agency, H. G. Swanson, R. E. Olmsted and Hugo R. Schmitt. Twenty-six were present at the first class last Saturday. The fundamentals of life insurance are being covered for both the new agent and the more experienced one.

Walt Sues Ohio National

Norman H. Walt of Springfield, Ill., who is state supervisor of the Ohio National Life for Illinois outside of Chicago, has filed a \$50,000 damage suit against the company in Springfield, contending that it attempted to terminate his contract before the term had expired. He declared that the company had endeavored to stop his commissions and renewals. Mr. Walt was for-

merly connected with the Abraham Lincoln Life and prior to that with the Central Life of Illinois.

Has 40 Percent Increase

The Illinois department of the Reliance Life under Manager Thomas F. Lawrence reported approximately 40 percent increase in paid business for the six months and also had large increases in July and August.

DeBarry Achievement

A typographical error in an item in THE NATIONAL UNDERWRITER of Aug. 22 telling of the achievement of DeBarry & Associates, Chicago insurance counselors, in transferring fraternal insurance to legal reserve basis, who have entered the general insurance field, left the impression that this office in rewriting business of the Catholic Knights of Wisconsin on a sound basis had transferred only \$2,000,000 of the \$24,000,000 in force during a year's operation ending Jan. 1. The fact is that DeBarry & Associates transferred \$20,000,000, or five-sixths, of the business in one year.

Office Staff Picnics

The annual picnic of the Springfield, Ill. office staff of the American Bankers was held last Saturday. E. R.

Jones, divisional supervisor from Chicago, and H. C. Welch, vice-president represented the home office.

The American Title Association will hold its annual convention in Richmond, Va., Oct. 5-9. Sessions of the title examiners section are expected to be attended by prominent insurance company executives in charge of mortgage loans.



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AND
RECLAMATION
OF
LIFE INSURANCE**

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JACK ROBERTS HANN, PRES.
**333 No. MICHIGAN AVE.
CHICAGO**

20.8% INCREASE

The steady growth which The Guardian has experienced in recent years continues at an accelerated pace in 1930. During the first six months of this year, Guardian Fieldmen produced 20.8% more new paid-for business than in the corresponding period a year ago.

Production in June, 1930, was the greatest for any month in the seventy years during which The Guardian has been in business.

THE GUARDIAN LIFE
ESTABLISHED 1860
INSURANCE COMPANY of AMERICA
50 UNION SQUARE • NEW YORK CITY

What Makes a Good Company?

A company with sufficient age and financial stability, a live-and-let-live contract, policies that compare favorably with the best, close Head Office cooperation, lead service and other modern working tools. These are the principal things for which an agent looks.

By these standards Fidelity is a good company. Its reputation rests upon over half a century of fair dealing. It is financially solid. It operates in thirty-nine states, including New York, on a full level net premium basis and has over \$415,000,000 insurance in force. Its lead service and Low Rate policies make selling easier.

Desirable openings for the right men seeking a wider and more profitable field of action.

The **FIDELITY MUTUAL LIFE**
INSURANCE COMPANY
PHILADELPHIA
WALTER LEMAR TALBOT, President

IN THE MISSOURI VALLEY

Parkinson Speaks in West

Equitable of New York President Addresses Klingman Agency Meeting in St. Paul

Over 200 members of the Klingman agency of the Equitable Life of New York in St. Paul listened to an address by President Thomas I. Parkinson at the agency's annual conference last week. Mr. Parkinson said that better facilities for serving clients and the changes of the times are two of the most important factors in the increase in underwritings. "There is an increased need for life insurance and with the advance of science and the general speeding up of life, creating hazards faster than they be overcome," he said.

Conference at Lake Okoboji

Approximately 250 persons are expected to attend the annual educational conference of the Equitable Life of New York at Lake Okoboji, Ia., this week.

President Thomas I. Parkinson and W. W. Klingman, vice-president, are expected to be present from the home office. Other speakers will be A. M. Emby, Kansas City, and Lee Gillis, Cedar Rapids.

Will Have Breakfast Rally

In order to prepare for the fall campaign, Clifford McMillen of Milwaukee, home office general agent of the Northwestern Mutual Life, will have a breakfast sales conference at his home, Sept.

2. A. M. Schulz of Chicago, sales counselor, will give a talk.

Penn Mutual Meetings

The Davenport, Ia., agencies of the Penn Mutual Life have arranged a series of agency meetings. The first was held last week, at which time Robert Block, trust officer of the American Trust Company of Davenport, spoke on "Life Insurance Trusts." W. R. Johnson, president of the G. S. Johnson Flour Company of Davenport, will speak at the next meeting on "Salesmanship."

Iowa Agents Banquet

Approximately 25 officials and representatives of the Northwestern Mutual Life, together with their wives, attended a banquet in Spencer, Ia., last week for representatives of Clay and Buena Vista county district agencies in recognition of their victory in a sales contest held during the month of July.

Agency School Held

Under the direction of I. B. Jackson, district manager of the Equitable Life of New York at Wichita, a week's training school for representatives was held last week. H. C. Booker of Kansas City, in charge of educational projects of the company gave the instructions. A. M. Embrey of Kansas City conducted an agency meeting on the last day of the gathering.

R. H. Martin, general agent for the Bankers Life of Des Moines in southeastern Iowa, was host to 15 at a district meeting of agency heads held in Ottumwa, Ia., last week.

IN THE SOUTH AND SOUTHWEST

Attorney General Inflexible

Refuses to Modify Ruling in Alabama on Company Tax—Suits May Be Outcome

MONTGOMERY, ALA., Aug. 28.—William P. Cobb, assistant attorney-general, who some time ago rendered an opinion seriously affecting the taxes of domestic insurance companies, has indicated that he will not change his ruling, and unless some other representative of the department is given charge of the matter, he may shortly institute legal proceedings, involving collection of approximately \$25,000 in taxes. This, of course, would be a test case.

The law says that the companies shall be allowed an offset on premium taxes for funds invested in real estate mortgage loans. The companies contend that allowance should continue from year to year as long as the mortgage exists. Mr. Cobb holds that it should be for only one year.

It is known that counsel for at least one large company has conferred with the governor on the matter. Mr. Cobb says so far he has been shown no valid legal reason for reversing his opinion.

Want the Laws Revised

MONTGOMERY, ALA., Aug. 28.—Life underwriters of Birmingham, Ala., have created a committee, headed by Robert Davidson, looking to a revision of the state insurance laws when the legislature meets in January. Cognizance of the action of the Birmingham men has been taken by C. Allen Hopkins, president of the Montgomery Association of Life Underwriters.

"I have just heard of this matter," said Mr. Hopkins, "and am making an investigation. At present I am not pre-

pared to make any comment other than that the Montgomery association is the parent organization of the state and if any steps are contemplated our cooperation should be asked."

All-American Life Elects

Stockholders of the All-American Life of Amarillo, Tex., at their first meeting elected Neal Ainsworth, president; R. E. Underwood, vice-president and general counsel; E. R. Biggs, secretary-treasurer; Dr. R. L. Vinyard, medical director, and C. W. Furr, chairman of the board. The company was chartered June 26 with capital of \$100,000 and surplus of the same amount, both fully paid in. The proposed capital is \$250,000 with the same amount of surplus.

Only Alabama "C. L. U." Man

Fred Carter of 8109 Rugby avenue, Birmingham, Ala., is the only "C. L. U." man in his state. He was started in business by Vice-president V. M. Shewbert of the American Security Life of Birmingham. Mr. Shewbert took especial pains to train him. The young man is 26 years of age. He became very much interested in life insurance and secured the text books furnished by the American College of Life Underwriters. He took the recent examination and passed with credit.

San Antonio Office Moved

The Federal Life's San Antonio, Tex., branch offices have been moved to the Milam building.

The San Antonio district, comprising all territory south of Austin, is under the management of Mr. J. S. Del Mouly, who, for the past 15 years, has been connected with the company in various capacities, and for the last three years as a manager.

PENN MUTUAL CONVENTION

Will be held at Colorado Springs, September 22, 23, 24. A business-building conference! No oratory. And none but the necessary amenity speeches, whittled down to the smallest ligative number of consonants and vowels and diphthongs.

Our Golden Triangle will be prominent. There will be demonstrations of the organized sales talk. And conservation, in all its features, will be discussed.

A modern Convention for modern underwriters.

WM. A. LAW, President

Wm. H. Kingsley,
Vice President

Hugh D. Hart,
Vice President

John V. E. Westfall, Vice President

HOME LIFE INSURANCE COMPANY

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A COMPANY OF OPPORTUNITY

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356,988 Prospects

received advertising letters
in first five months of 1930

\$19,000,000 of Business

sold on lives of "advertised"
prospects in same period.

BANKERS LIFE COMPANY

GERARD S. NOLLEN, President

Established 1879

DES MOINES, IOWA

AN INTERESTING COMMENT on our new sales program from President Clifton Maloney:

“ We should be remiss in a great obligation if we failed to provide our agents with means of gaining personal financial independence! ”

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SERVICE LIFE INSURANCE COMPANY

Exceedingly liberal contracts are offered to reputable and responsible agents. An unusual agency proposition is extended in districts where the company is not now represented.

For information write
B. R. BAYS, President

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Methods for the reduction and control of
ACQUISITION AND OTHER COSTS
are outlined in the booklet

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FORTY Unusual Plans FOR SELLING LIFE INSURANCE

Leading underwriters have contributed to this unique book by J. Stanley Edwards. Price \$2.50. Order from The National Underwriter, A 1940 Insurance Exchange, Chicago.

News of Pacific Coast States

Huebner in San Francisco

Stresses Life Insurance as Sinking Fund
to Safeguard Against Business
Interruption

SAN FRANCISCO, Aug. 28.—Declaring that from the business standpoint life insurance is in reality business interruption insurance, Dr. S. S. Huebner of the University of Pennsylvania, laid special emphasis on the fact the small business man should establish a sinking fund for his organization by means of life insurance, at an address in San Francisco last week. There were approximately 900 present at the meeting, prominent underwriters and representatives from allied businesses attending.

Dr. Huebner entitled his address: “Business Risks and How to Meet Them.” He declared that economists are in the habit of dividing everything of an economic nature into four main divisions, namely production, exchange, distribution, and consumption. But he asserted that a fifth division should be added, which he termed “risk bearing and risk elimination.” This division would be the function performed by insurance.

“The greatest business asset there is in the average medium sized and small business is the money value of a life. A business man can't afford to be in ill-health; he can't afford to die prematurely; he can't afford to do that, either with respect to his family or with respect to the business calling in which he is engaged. He should, therefore, make it his business to prevent a loss by way of ill-health and by way of premature death. And in a business way life insurance is business interruption insurance. Life insurance is time insurance just as is property insurance.”

Pirret With Fidelity Mutual

The Fidelity Mutual Life, through its western agency superintendent, W. J. Arnette, announces the appointment of H. R. Pirret as manager for western Washington, with headquarters at Seattle. Mr. Pirret is a young man of prominence in insurance circles in the northwest. He is a former athlete of the University of Washington, and his previous business connection has been in an agency capacity in the Seattle agency of the Equitable Life of New York.

Fuller Takes New Post

LOS ANGELES, Aug. 28.—The home office agency of the Great Republic Life, M. M. Waddle & Son, general agents, announces the appointment of M. H. Fuller as manager of its Los Angeles city agency. Mr. Fuller was formerly connected with the Western States Life as agency director of its metropolitan agency in Los Angeles, which position he has held for the past two years and prior to which he was cashier of the company's southern California department. Previously to locating in California he was also connected with the home office agency department of the old Idaho State Life at Boise before it was sold to the Occidental Life of Los Angeles.

Equitable Agents Meet

Arizona and New Mexico district managers and agents for the Equitable Life of New York met in Flagstaff, Ariz., recently. W. H. Glines, superintendent of western agencies on the Pacific Coast; Edward White, group supervisor of the Pacific department, both from San Francisco, and E. L. Grose, agency manager for Arizona and New Mexico were in charge.

TRUST COMPANIES AND BANKS

A directory of responsible financial institutions that are especially equipped to co-operate with life underwriters in creating life insurance trusts, and in handling other estate problems.

CALIFORNIA

The oldest Trust Company in the West

**Wells Fargo Bank
and
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SAN FRANCISCO

Since 1852

Trust Department established 1892

ILLINOIS

LIFE INSURANCE and TRUST SERVICE

now go hand in hand. Men of affairs demand both. Life Insurance creates the estate. Our Protected Life Insurance Trust safeguards it.

A Special Reserve Fund of \$2,000,000 protects principal and income against loss.

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CHICAGO

Earle H. Reynolds R. B. Upham
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Floyd B. Weakly
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London, England

RECENT LETTERS

The President of a large Company says:

“It will revolutionize Life Insurance Selling.”

A Superintendent of Agencies says: “Greatest Selling Idea in a Decade.”

An Underwriter says: “It has doubled my income.”

**LIFE INSURANCE AS A
PROPERTY INVESTMENT**

Found only in “The Essentials of Life Underwriting” by Abner Thorp, Jr.

The Diamond Life Bulletin
430 E. 4th St., Cincinnati, O.

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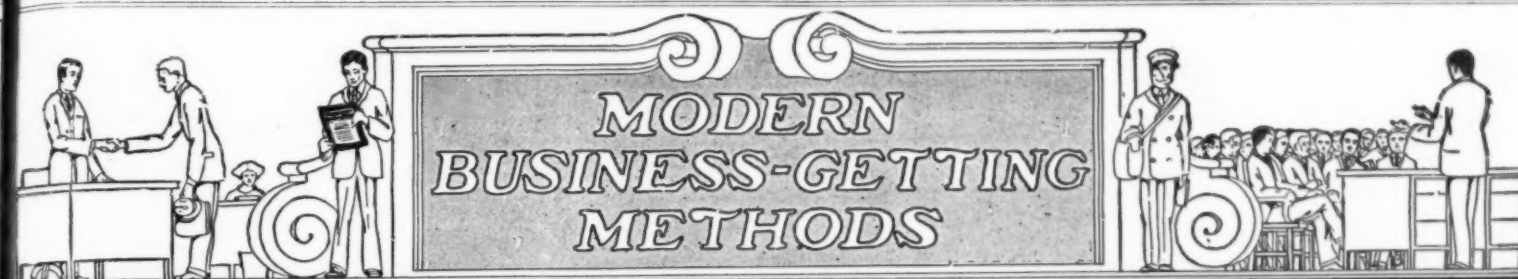
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Additional Answers to Questions Given in Chartered Life Underwriters Degree Examination by American College

PART I

(Continued from last week)

QUESTION 3

(a) Define group life insurance, and state its essential characteristics. (b) Explain the advantages of group life insurance to: (1) the employee (2) the employer.

ANSWER

(a) Group life insurance is life insurance on a large number of persons (at least 50 in most states) usually employees of a given concern, payable to their own beneficiaries, issued without medical examination on the yearly renewable term plan, in which the employer pays a certain part or all of the premium. The employer receives a master policy, the employees certificates of insurance. If the insurance is written on the contributory plan, at least 75 percent of the employees must agree to contribute.

(b) Advantages to the Employees

(1) Many of their number are protected who would not be able to pass the medical examination for individual insurance. (2) It gives them free (if employer pays premium) protection to extent provided, or at a very small cost if they pay part of premium. (3) It proves to employees that the employer is interested in the welfare of them and their families. (4) It educates them concerning insurance. (5) It causes them many times to buy more insurance. (6) It enlarges their personal insurance programs to just that extent. (7) It prevents the necessity of "passing the hat" at death of a fellow worker, and thereby increases their self respect. It also provides a safer, healthier place to work, because of supervision by insurer.

Advantages to the Employer

(1) It furnishes insurance to the masses, and thereby enlarges the employer's social activity with the resultant feeling of having accomplished a worthwhile end. (2) A better feeling is engendered in employees, therefore they work a bit harder and produce a bit more. (3) The employer transfers his responsibility to an incorporated insurer at the time of death of one of his employees. (4) It has a tendency to lessen turnover among employees. (5) It may be used to create a feeling of cooperation among families of employees. (6) It is a good advertisement.

QUESTION 4

X, age 35, is an engineer whose business estate consists of a half partnership interest valued at \$25,000. His only other property consists of \$20,000 market value of stocks in two corporations, and a home valued at \$20,000 but mortgaged for \$10,000. He has an income of \$10,000 a year, derived from his business with the exception of \$1,000 in dividends received from his stock holdings. He has a wife and two daughters (age 7 and 9 years respectively) solely dependent upon his income. Approximate calculations show that the maintenance of the home now requires \$7,000, exclusive of X's expenses

for personal needs. Outline, with your reasons, the insurance program which you would recommend to meet the above circumstances.

ANSWER

The problem of X deals entirely with plans for a continuation of income. I would suggest partnership insurance by means of which to assure to his family the full value of his partnership interest in the event of his death. The proceeds of such insurance might be left under a deed of trust along with his \$20,000 worth of stock with a trust company since a considerable amount of management and reinvestment will be required. This part of his estate can be expected to yield nearly \$2,500 a year if properly managed, although of course the value of any stock is always problematical.

He should purchase insurance (on term or ordinary life plan) in the amount of \$10,000 to provide the liquidation of the mortgage, because he has selected a particular location, particular neighbors and particular school facilities for his daughters. These elements of his home should not be disturbed or sacrificed. With the mortgage lifted, at least \$600 a year maintenance charges in the form of interest are eliminated. There still remains a difference of about \$4,000 of annual income to be made up. It is reasonable to presume that once the daughters are through school, Mrs. X could live as is her custom on about \$3,600-\$4,000 per year for life. Of this amount let us say, \$2,400 is provided through the trust estate. I would, therefore, suggest a life income policy of \$1,200 to \$1,600 a year for the benefit of Mrs. X.

In the event of Mrs. X's death prior to the death of her husband the commuted value of the guaranteed payments could be made payable to the trust company for the benefit of the daughters. If the income plan of insurance is not desired, a policy for \$30,000 could be taken, the proceeds to be administered under the trust agreement, in this way leaving a larger sum for the benefit of the daughters in the event of the mother's prior death. The difference between the income necessary for Mrs. X's personal maintenance for life and the \$6,400 (\$7,000 less interest of \$600) is only needed for 15 years when the daughters will be through school and earning for themselves. This sum can be provided through a \$25,000 or \$30,000 life insurance contract, the proceeds of which are payable in installments certain over a period of 15 years, or the face may be made payable to the trustee who will be empowered to pay out principal as well as interest in maintenance and education of daughters.

Any amounts left in the hands of the trustee after the children's education together with the proceeds of the partnership policy and the widow's policy should be held for the benefit of the widow during her lifetime. The income should then be paid to the children during their respective lives with the

right to them of willing the principal remaining. The last two policies suggested, aggregating \$55,000 or \$60,000 might well be carried on the thirty year endowment insurance plan, since they will thereby provide a substantial retirement income at 65 if the prospect be then living. This would be a good investment, as well as a good protection contract.

QUESTION 5

According to the American Experience Table of Mortality and 3 percent interest, the net single premium on a whole life policy issued at age 35 is \$419.88. The net level premium for a five payment life policy at the same age is \$90.60. (a) Explain briefly to a policyholder why the latter is not exactly one-fifth of the former. (b) Using the data given below, demonstrate that the latter is the mathematical equivalent of the former.

Section of American Experience Table of Mortality

Age	Number Living at Beginning of Year	Number Dying During Year	Present Val. of \$1 at 3% End of
34.....	82,551	729	1 year .970874
35.....	81,822	732	2 years .942596
36.....	81,090	737	3 years .915142
37.....	80,353	742	4 years .888487
38.....	79,611	749	5 years .862609
39.....	78,862	756	6 years .837484
40.....	78,106	765	

(In view of the limited time available, it is not desired that you make your multiplications, additions, and divisions. Merely indicate all answers by letters beginning with "A" and then following continuously with "B," "C," etc. The problem aims to ascertain correctness of procedure and not actual results.)

ANSWER

(a) The level premium on a five payment life insurance policy is not merely one-fifth of the single premium because (1) each payment is contingent upon the survival of the insured to pay his premium, and (2) each payment represents a certain loss of interest that would have been earned had that premium been paid in advance. Were the single premium merely divided by 5 in this case, neither the mortality factor nor the interest factor would have been considered. If the single premium is correct, then one-fifth of that premium annually would be too small to pay claims since the interest figured in the computation of the single premium would not be earned, and some of the level premiums would not be paid because of the insured's death.

(b) That the five payment life premium is the mathematical equivalent of the single premium on a whole life policy issued at the same age may be shown as follows:

81,822 insureds pay the premium of \$90.60 at once, the present value of which is $81,822 \times \$90.60$ equals A.

81,090 will pay the premium of \$90.60 one year hence, the present value of which is $81,090 \times \$90.60 \times .970874$ equals B.

80,353 will pay \$90.60 two years hence, $80,353 \times \$90.60 \times .942596$ equals C.

79,611 will pay \$90.60 three years hence, $79,611 \times \$90.60 \times .915142$ equals D.

78,862 will pay \$90.60 four years hence, $78,862 \times \$90.60 \times .888487$.

(A plus B plus C plus D plus E) divided by 81,822 equals \$419.88, the net single premium.

PART II, LIFE INSURANCE SALESMANSHIP

QUESTION 1-2

Write as convincing a ten-minute radio talk as you can on the topic, "Life Insurance as a Profession."

ANSWER

The commonly accepted professions are law, medicine, dentistry, teaching and the ministry. Those callings have certain characteristics which set them apart from most other methods of earning a living. It is essential that we understand what these essential characteristics or requisites are.

In the first place a profession must be so universally necessary that it is impossible to get along without it. Its purpose must be essentially noble in character. It must carry the idea of service into its operation. And service means keeping the welfare and interest of clients in the foreground, ahead of the thought of personal gain for oneself. A profession must also involve a science and an exact and thorough knowledge of that science. This knowledge must be kept up to date by constant study, the professional man or woman being spurred on by a desire to adapt every new thought that will add to his or her equipment for rendering service.

Again, a profession must have a code of ethics governing the conduct of its members. This involves respect for the other man's opinions, methods and practice. There can be no unfair competition or underhanded methods.

With this definition of a profession as a calling, universally necessary, essentially noble in character, involving knowledge of a science and with the idea of service uppermost, let us see how the calling of life insurance underwriting meets these requirements.

Universally Necessary

In the first place life insurance is universally necessary. This is shown by the fact that over half the population of this country own some life insurance. The total amount in force is over one hundred billion dollars, a stupendous sum.

Life insurance is essentially noble in character for it adds to the social well-being in its every aspect. It promotes thrift, builds character, provides comfort for widows and orphans, provides the necessities for a comfortable old age, and makes possible charities and philanthropies which could not be provided otherwise. It builds up savings accounts and guarantees that mean security, peace of mind, freedom from fear and worry that are incalculable. In fact it is doubtful if any of the professions can measure up to life insurance in this matter of "Nobility of Character."

The idea of service as we first defined it is also an essential requirement of the life insurance calling. This is shown by the fact that every life insurance underwriter is taught from the very beginning to study and learn his client's needs before making any recommendations. In other words, he must provide for their needs only regardless of his own interests. Under no circumstances will his code of ethics permit him to force upon a client a form or amount of insurance that is not in harmony with the client's best interests.

Life underwriting also requires knowledge of a science and its allied subjects. A doctor does not confine his study and

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